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REG. CLERK

**IN THE DISTRICT COURT FOR THE SECOND JUDICIAL DISTRICT
COUNTY OF ALBANY, STATE OF WYOMING**

**COLORADO HOSPITALITY SERVICE, INC.)
D/B/A LARAMIE HOSPITALITY LLC,)
RAMADA INN)**

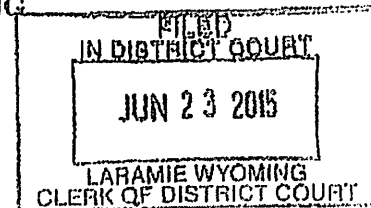
Plaintiff)

vs.)

ESSEX INSURANCE COMPANY.)

Defendants)

Civil No. 33509



COMPLAINT

Plaintiff, Colorado Hospitality Service Inc. d/b/a Laramie Hospitality LLC, Ramada Inn, by and through its attorneys, The Drake Law Firm, P.C., for its Complaint against Defendant, Essex Insurance Company ("Essex"), states as follows:

PARTIES

1. At all times material herein, Plaintiff, Colorado Hospitality Service Inc. d/b/a Laramie Hospitality LLC, Ramada Inn, ("Laramie Hospitality") is a Colorado corporation with its

principal place of business at 10 E. 120th Ave, Northglenn, CO, 80233 and is the owner of the property located at 2313 Soldier Springs Road, Laramie, Wyoming, 82070 (the "Property").

2. Defendant, Essex insurance Company ("Essex"), is an insurance company with its principle place of business at 1209 Orange Street, Wilmington, DE 19801 and was engaged in the business of underwriting and issuing property and casualty insurance policies.

3. Venue is proper because the property at issue is real estate located within the County of Albany, Wyoming and the amount in controversy exceeds \$50,000.

4. This court has personal jurisdiction over foreign parties pursuant to Wyo. Stat. § 5-1-107.

COUNT I
(Breach of Contract)

5. Plaintiff incorporates its allegations set forth in Paragraphs 1 through 4 of this Complaint as if fully restated here.

6. Essex issued a Commercial General Liability insurance policy, number 2CQ4613, that provided commercial property insurance to Laramie Hospitality ("the Policy"). A copy of the Policy is attached as Exhibit 1.

7. The Policy was in effect from August 1, 2012 to August 1, 2013.

8. Prior to issuing the Policy, Essex conducted an underwriting inspection of the Property.

9. Alternatively, Essex had an opportunity to conduct an underwriting inspection of the Property.

10. Under the Policy, Essex agreed to pay for direct physical loss of or damage to the Property caused by or resulting from any risks of direct physical loss, subject to certain limitations, conditions, and exclusions.

11. Hail and wind are both covered causes of loss under the Policy.

12. Laramie Hospitality paid all premiums due on the Policy.

13. Laramie Hospitality's payment of premiums were timely.

14. On or about June 30 2013, while the Policy was in full force and effect, the Property sustained direct physical damage due to a Covered Cause of Loss, namely a hailstorm.

15. Laramie Hospitality duly submitted claim number P033712 (the "Claim") to Essex under the Policy for its losses and damages.

16. Laramie Hospitality has substantially complied with all conditions precedent required under the Policy, or alternatively, has been excused from performance by Essex's acts, representations, and/or conduct.

17. Essex retained Crawford & Company ("Crawford") as an independent adjuster to adjust the Claim on Essex's behalf.

18. Crawford determined that the Property had sustained damage that was covered under the Policy.

19. Crawford estimated the amount of loss due to the June 30, 2013 hail event to be \$191,343.30.

20. Laramie Hospitality hired a public adjuster, C3 Group, LLC, to assist Laramie Hospitality with adjusting the Claim.

21. On behalf of Laramie Hospitality, C3 Group, LLC estimated the amount of loss to be \$1,147,813.60.

22. Although requested to do so, Essex has refused and continues to refuse to pay Laramie Hospitality all insurance benefits owed under the Policy.

23. Essex's denial of insurance benefits constituted a wrongful failure to pay its insured for the covered loss and amounted to a breach of the Policy.

24. Essex's breach of the insurance contract was and is the direct cause of damage to Laramie Hospitality, including, without limitation:

- a. Loss of Policy benefits owed to indemnify Laramie Hospitality for the entire loss;
- b. Cost to repair, restore and/or replace the significant property damage, and future costs to remediate such damage;
- c. Incidental and consequential damages, within the contemplation of the parties in the event of breach; and/or;
- d. Other expenses incurred as a result of Essex's breach of its contractual obligations, including costs and fees.

25. Laramie Hospitality is entitled to judgment in its favor and against Essex on its First Count for compensatory damages for its losses, including prejudgment interest; costs and reasonable fees in accordance with applicable law.

COUNT II
(Breach of the Implied Covenant of Good Faith and Fair Dealing)

26. Laramie Hospitality incorporates its allegations set forth in Paragraphs 1 through 25 of this Complaint as if fully restated here.

27. Under Wyoming law, Essex owed Laramie Hospitality a duty of good faith and fair dealing by virtue of their special relationship as insurer and insured.

28. An insurer breaches its duty of good faith and fair dealing when it engages in any of the following conduct:

- a. Misrepresenting pertinent facts or insurance policy provisions relating to coverages at issue and the appraisal process;
 - b. Failing to adopt and implement reasonable standards for the fair investigation of claims arising under insurance policies;
 - c. Refusing to pay the claim without first completing a reasonable and fair investigation of claims arising under insurance policies;
 - d. Not attempting in good faith to effectuate prompt, fair and equitable settlements of claims in which liability has become reasonably clear;
 - e. Compelling insured to institute litigation to recover amounts due under an insurance policy by offering substantially less than the amounts ultimately recovered in actions brought by such insureds.
29. Essex breached its Duty of Good Faith and Fair Dealing to Laramie Hospitality by:
- a. Failing to promptly acknowledge pertinent communications relating to Laramie Hospitality 's Claim;
 - b. Failing to affirm or deny coverage of Laramie Hospitality 's claim within a reasonable time;
 - c. Failing to adopt and implement reasonable standards for the prompt investigation of claims;
 - d. Conducting a biased and outcome-oriented claim investigation through the use of third parties;
 - e. Delegating its duty to adjust the loss to an unqualified and/or biased third party; and
 - f. Delaying and denying payment of the Claim without a reasonable basis for

doing so.

30. Essex knew or recklessly disregard the lack of a reasonable basis for denying the Claim.

31. As a direct and expected result of Essex's breach of its duty of good faith and fair dealing, Laramie Hospitality has:

- a. not received all Policy benefits owed to indemnify it for the entire loss;
- b. incurred and will incur in the future costs to repair, restore and/or replace the significant property damage; and
- c. suffered and will continue to suffer incidental and consequential damages within the contemplation of the parties in the event of breach.

32. Laramie Hospitality is entitled to judgment in its favor and against Essex on its Second Count for compensatory and punitive damages for its losses, as well as prejudgment interest; costs and reasonable attorneys' fees in accordance with applicable law.

COUNT III

**(Violation of Wyom. Stat. § 26-15-124:
Unreasonable Refusal to Timely Pay Insurance Benefits)**

33. Laramie Hospitality incorporates its allegations set forth in Paragraphs 1 through 33 of this Complaint as if fully restated here.

34. Essex had a statutory obligation to pay Laramie Hospitality all insurance benefits owed within 45 days of the receipt of the Claim and supporting bills.

35. Essex has refused to pay all insurance benefits owed to Laramie Hospitality even though more than 45 days have passed since Laramie Hospitality submitted its Claim and supporting documentation.

36. Laramie Hospitality is entitled to judgment in its favor and against Essex on its Third Count for reasonable attorneys' fees and interest in accordance with Wyom. Stat. § 26-15-124.

WHEREFORE, Plaintiff, Colorado Hospitality Service Inc. d/b/a Laramie Hospitality LLC, Ramada Inn, prays as follows:

- A. On its First Count, for judgment in its favor and against the Defendant, Essex Insurance Company, for all unpaid covered benefits owed under the Policy;
- B. On its Second Count, for judgment in its favor and against the Defendant, Essex Insurance Company, for all unpaid covered benefits owed under the Policy;
- C. On its Third Count, for judgment in its favor and against the Defendant, Essex Insurance Company, for attorney's fees and prejudgment interest;
- D. For judgment in its favor and against the Defendant, Essex Insurance Company, for costs, expert witness fees, and attorneys' fees incurred in prosecuting the claims against Defendant;
- E. For judgment in its favor and against the Defendant, Essex Insurance Company, for other damages resulting from Essex Insurance Company's unreasonable refusal to timely pay insurance benefits, including out-of-pocket expenses, and costs of ongoing damages resulting from Essex Insurance Company's unreasonable refusal to pay for the full loss and damage to Laramie Hospitality's property, both real and personal;
- F. For judgment in its favor and against the Defendant, Essex Insurance Company, for pre- and post-judgment interest; and
- G. For any further relief deemed appropriate by the Court.

Respectfully submitted,



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marie@thedrakelawfirm.com
Counsel for Plaintiff

Plaintiff's Address:
Colorado Hospitality Services
c/o Bruce Rahmani
10 E. 120th Ave.
Northglenn, CO, 80233

Exhibit 1

Laramie

A STOCK COMPANY



Laramie
Romulo

ESSEX INSURANCE COMPANY

1209 Orange Street
Wilmington, DE 19801

INSURANCE POLICY

Coverage afforded by this policy is provided by the Company (Insurer) and named in the Declarations.

In Witness Whereof, the company (Insurer) has caused this policy to be executed and attested and countersigned by a duly authorized representative of the company (Insurer) identified in the Declarations.

Linda S. Rotz

Secretary

Richard Albanese, Jr.

President

Exhibit 1

IL 00 17 11 98

COMMON POLICY CONDITIONS

All Coverage Parts Included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is canceled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

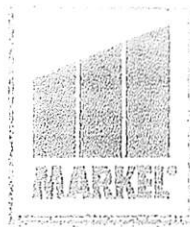
1. Is responsible for the payment of all premiums; and
2. Will be the payee for any ratum premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

Exhibit 1



MetLife Financial Group

PRIVACY NOTICE

MetLife Corporation and its affiliated companies are committed to safeguarding your privacy and protecting your personal information. Please be assured that we do not sell this information to anyone for marketing or any other purpose and we have strict policies and procedures in place to protect the confidentiality of all non-public personal financial information.

The following outlines our privacy practices:

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms;
- Information about your transactions with us, our affiliates, or others;
- Information we receive from a consumer reporting agency; and/or
- Information we receive from inspection reports.

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

When necessary, we may disclose nonpublic personal information about you to non-affiliated third parties for the purposes of underwriting, administering your policy or claim, and other purposes permitted by law such as disclosures to regulatory authorities or in response to legal processes. For example, we may share your information with financial service providers such as investment agents and/or brokers who work with us.

We restrict access to nonpublic personal information about you to only those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

We appreciate your business. Thank you for placing your trust in MetLife.

Exhibit 1



AETNA INSURANCE COMPANY

COMMON POLICY DECLARATIONS

This insurance contract is issued pursuant to the Wyoming Insurance Laws by an insurer neither licensed by nor under the jurisdiction of the Wyoming Insurance Department.

Previous Policy No: 0000000000 Policy No: 0000000000

Policy Period: FROM: 08/01/2013 TO: 08/01/2014 12:01 A.M. Standard Time at your mailing address shown below.
Term: 365 DAYS

Retroactive Date:

Named Insured: COLORADO HOSPITALITY SERV INC
DBA LARABEE HOSPITALITY LLC, CANADA INN

Mailing Address:

Address Line 1: 110 W. 12TH AVE.

Address Line 2:

City: BOULDER

State: CO Zip Code: 80233

BUSINESS DESCRIPTION: HOTEL, WITH POOL AND RESTAURANT / BAR

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED.
THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

Commercial Auto Coverage Part	\$ NOT COVERED
Commercial General Liability Coverage Part	\$ 2,389.00
Commercial Bond Marine Coverage Part	\$ NOT COVERED
Commercial Ocean Marine Coverage Part	\$ NOT COVERED
Commercial Professional Liability Coverage Part	\$ NOT COVERED
Commercial Property Coverage Part	\$ 7,426.00
Commercial Automobile Liability Coverage Part	\$ NOT COVERED
COMMERCIAL LIQUOR LIABILITY	\$ 750.00
Estimated Total	\$ 11,565.00
Other Charges: FEES	500.00
Other Charges: TAX	361.95
Other Charges:	
Other Charges:	
TOTAL	\$ 12,426.95

Audit Period: Annual unless otherwise stated:

FORMS AND ENDORSEMENTS: SEE FORMS SCHEDULE - MDL 1001

Agents Name: Adco General Corporation-CO

Agents Mailing Address:

Address Line 1: 801 Kalamath Street

Address Line 2:

City: Denver

State: CO Zip Code: 80204

Agent Number: 00020
SS/00

Contracted: PERVEIL CO 08/07/2013
DATE

By: _____
AUTHORIZED REPRESENTATIVE

Exhibit 1



ESSEX INSURANCE COMPANY

COMMERCIAL GENERAL LIABILITY COVERAGE PART SUPPLEMENTAL DECLARATIONS

These Supplemental Declarations form a part of policy number 2CM9728

LIMITS OF INSURANCE								
General Aggregate Limit (other than Products/Completed Operations)		\$ <u>2,000,000</u>						
Products/Completed Operations Aggregate Limit		\$ <u>INCLUDED</u>						
Personal and Advertising Injury Limit		\$ <u>1,000,000</u>						
Each Occurrence Limit		\$ <u>1,000,000</u>						
Damage to Rented Premises		\$ <u>100,000</u>				Each Occurrence		
Medical Expense Limit		\$ <u>5,000</u>				Any One Person		
BUSINESS DESCRIPTION AND LOCATION OF PREMISES COVERED BY THIS POLICY								
Form of business:								
<input type="checkbox"/> Individual <input type="checkbox"/> Joint Venture <input type="checkbox"/> Partnership <input type="checkbox"/> Organization (other than Partnership or Joint Venture)								
Location of all premises you own, rent or occupy:								
1. <u>3337 SOLDIER SPRINGS RD</u> <u>LAURENS</u> <u>NY</u> <u>12076</u>								
PREMIUM								
Code No.	Rating Basis	Premium Basis	Other Basis	Rate		Advance Premium		
Classification				PR/Co	All Other	PR/Co	All Other	
43190	Gross Receipts*	\$50000		INCL	1.04	\$	INCL	\$ 1,564.00
HOTELS & HOTELS W POOL/BEACH LESS THAN 4 STORIES								
43190	Unit (Each)	1		INCL	750.00	INCL		750.00
SWIMMING POOL, INDOOR - HOTELS & HOTELS W POOL/BEACH LESS THAN 4 STORIES								
16916	Gross Receipts*	100000		.591	4.623	106.00		069.00
RESTAURANTS W/SIDE OF ALCOHOLIC BEV - 30% OR MORE BUT LESS THAN 75% OF ANNUAL RECEIPTS W/O DANCE FLOOR								
49950	Unit (Each)	1						100.00
ADDITIONAL INTEREST PREMIUM								
Rating Basis identified with a "*" is per 1000' of Selected Basis						TOTAL ADVANCE \$ 3,389.00 PREMIUM		
FORMS AND ENDORSEMENTS (other than applicable forms and endorsements shown elsewhere in the policy)								
Forms and endorsements applying to this Coverage Part and made part of this policy at time of issue:								
SEE FORMS SCHEDULE - MDIL 1001								

THIS SUPPLEMENTAL DECLARATIONS AND THE COMMERCIAL LIABILITY DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND ENDORSEMENTS COMPLETE THE ABOVE NUMBERED POLICY.

01/15/01 (2-00)

INSURED

COMMERCIAL GENERAL LIABILITY POLICY, 1982-83, C-100-1000-00

Various provisions in this policy contain language to set the upper policy coverage to desired to right duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II -- Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V -- Definitions.

SECTION I -- COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section III -- Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments -- Coverages A and B.

b. This coverage is not available for any act or omission that is excluded or is an error that takes place within the scope of the policy.

c. This coverage applies to "property damage" that is caused by or is an error that takes place within the scope of the policy.

d. This coverage applies to "bodily injury" that is caused by or is an error that takes place within the scope of the policy.

e. This coverage applies to "bodily injury" or "property damage" that is caused by or is an error that takes place within the scope of the policy. Who is an insured under this policy? Section II -- Who Is An Insured. If you are an "employee" authorized by you to give notice of an "occurrence" or claim, know that the "bodily injury" or "property damage" had occurred, he or she is, in part, if such a listed insured or authorized "employee" knew, prior to the policy period, and the "bodily injury" or "property damage" occurred, then any coverage under this policy is not available.

f. This coverage applies to "property damage" that is caused by or is an error that takes place within the scope of the policy.

g. This coverage applies to "bodily injury" or "property damage" which is caused by or is an error that takes place within the scope of the policy. Who is an insured under this policy? Section II -- Who Is An Insured. If you are an insured or any "employee" authorized by you to give or settle claims of an "occurrence" or claim, know that the "bodily injury" or "property damage" had occurred, then any coverage under this policy is not available.

h. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under paragraph 1. of Section II -- Who Is An Insured or any "employee" authorized by you to give or settle claims of an "occurrence" or claim:

(1) Reported in, or any part of the "bodily injury" or "property damage" is known by any other insured;

(2) Known by or reported to a third person or claim or damages because of the "bodily injury" or "property damage"; or

(3) Known by or reported to any other means that "bodily injury" or "property damage" has occurred, or began to occur.

EXHIBIT 1

u. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract"; provided that "bodily injury" or "property damage" is not a result subsequent to the execution of the contract or agreement. Solely for the purpose of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Contractual Penalty

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Contracting or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation re the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" or:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) The employment by the insured; or
 - (b) Any other duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and in any obligation to assess damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

Exhibit 1

7. Pollution

(1) "Bodily Injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants".

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or leased to, any insured. However, this subparagraph does not apply to:

(i) "Bodily Injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily Injury" or "property damage" for which you may be held liable, if you are a contractor and the premises or location has been added to your contract as an additional insured solely in respect to your ongoing operations performed for and additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or leased to, any insured, other than the additional insured; or

(iii) "Bodily Injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(1) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily Injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "Bodily Injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily Injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily Injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(c) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

Excluded

(2) Any cost or expense incurred by or for any.

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, testing, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Watercraft or Watercraft

This section is not subject to the application of the "bodily injury" or "property damage" exclusion. It does not include any aircraft, watercraft or watercraft that is owned or operated by or rented or loaned to any insured. It is subject to operation and loading or unloading.

This exclusion applies only if the claim against any insured alleges negligence or other wrongdoing in the supervision, hiring, employment, hiring or unloading of the insured. It is the "ownership" of which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not rent that is:
 - (a) Less than 26 feet long; and
 - (b) The body used in each paragraph or property for a charge;
- (3) Putting an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(3) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is attached to, or is on, or is a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or demand responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or

(b) the operation of any of the machinery or equipment listed in Paragraph 7.(2) or 7.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in a vehicle in practice for, or while being prepared for, any prearranged racing, speed demonstration, or stunt driving.

i. War

"Bodily injury" or "property damage" however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority to hinder or defend against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;

Exhibit I

(5) That particular part of real property on which you or any contractor or subcontractor working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (3), (4) and (5) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a subcontract agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

l. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

1. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of action and accidental physical injury to "your product" or "your work" after it has been out of its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages arising from any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

If such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "product" and "advertisement liability".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored on or in, created or used on, or transmitted to or from computer software, including systems and applications software, and or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Article 3

This insurance does not apply to damage caused by a person who either to you or to property owned by you with permission of the insured, or separate limit of insurance applies to the damages as described in Condition III - Limits on Insurance.

SECTION 1. PERSONAL AND ADVERTISING INJURY LIABILITY

1. Coverage Amount

We will pay from limits that the insured business is legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the duty and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

(1) we and you will pay for damages as outlined as described in Section III - Limits on Insurance; and

(2) we have the duty to defend and when we are not bound by the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

The above obligation or liability to pay sums or amounts for or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

(3) This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the prices of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Intentional Mislead And Intentional Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content or advertising materials; or

Exhibit I

the information without, directly, indirectly, or by a third party.

However, this exclusion does not apply to violations of (A), B, and C of "personal and advertising injury" under the Definition Section.

For the purpose of this exclusion, the placing of banners, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

2. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

3. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your email address, domain name or website, or any other similar method to mislead another's potential customers.

4. Pollution

"Personal and advertising injury" arising out of the release, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

5. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

6. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warfare action by a military force, including action in fighting or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in attacking or demanding against any of these.

7. Distribution Violating Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material by electronic means.

COVERAGE CHERISHED, as amended

1. Covered Accidents

a. We will pay medical expenses as described below for "Cherished" as a result of an accident:

- (1) Care, treatment, services and
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Reasonable funeral expenses,

provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expense was incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of benefits. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

Exhibit 1

A. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except for medical payments.

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, participating or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverages A Situations

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS -- COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- All expenses we incur.
- Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

Unjudged and Judged: awarded against the insured on the part of the judgment we pay. If we make a settlement for the applicable limit of insurance, we will not pay any judgment in excess of limit of or over period of time after the offer.

3. We interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee to a contract or agreement that is in "written contract";
- The indemnitee agrees to such liability as required by the contract;
- The full cost of the "suit", or the cost of the investigation, trial, expenses, has also been assumed by the insured or the same "insured or insured";
- The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the main counsel to defend the insured and the indemnitee; and

2. The indemnitee:

(1) Agrees in writing to:

- Cooperate with us in the investigation, settlement or defense of the "suit";
- Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- Notify any other insurer whose coverage is available to the indemnitee; and
- Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

- Obtain records and other information relating to the "suit"; and

Exhibit 1

(d) "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds.

So long as the above conditions are met, the way that the insureds are insured is as follows: (1) In the event of a claim, the insureds are insured for the full amount of the claim, including necessary litigation expenses incurred by the insureds and any litigation expenses incurred by the insureds at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(1) of Section 1 - Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnified and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments and when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of this agreement described in Paragraph 1 above, are no longer met.

SECTION II: WHO IS AN INSURED

1. If you are insured as in the Declaration set

- An individual, you and your spouse are insureds, but only with respect to the conduct of your business in which you are the sole owner.
- A partnership or joint venture, you are an insured. Your members, your partners, and your associates are also insureds, but only with respect to the conduct of your business.
- A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

to each of the following is also an insured:

(1) Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds.

(2) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) to the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;

(c) for which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or

(d) arising out of his or her providing or failing to provide professional health care services.

(3) "Property damage" to property:

(a) Owned, occupied or used by,

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

EXHIBIT 1

1. Any person (other than an independent contractor or subcontractor) who is negligent in the performance of his or her duties in the conduct of your business or operation.
 2. Any person or organization who is negligent in the performance of his or her duties in the conduct of your business or operation, but only:
 - (1) With respect to liability arising out of the maintenance or use of the property; and
 - (2) Until your legal representative has been appointed.
 3. Any organization you have acquired, or form, other than a partnership, joint venture or limited liability company, and over which you otherwise own, own or majority interest, will qualify as a Named Insured if there is no other eligible member available to that organization. Therefore:
 - a. Coverage under this provision is extended only until the 90th day after the date of acquisition or formation of the organization or the date of the acquisition or formation, whichever is earlier;
 - b. Coverage A does not apply to damages because of "property damage" for which you are not the owner, lessee or bailee of the property; and
 - c. Coverage B does not apply to damages because of "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
- No person or organization is compensated with respect to the conduct of any business or operation by its venture or limited liability company unless it is shown as a Named Insured in the Declaration.
- SECTION III - LIMITS OF INSURANCE**
1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations injured, claim or bringing "suits".
 2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.
 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
 4. Subject to Paragraph 1. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
 5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C
 because of all "bodily injury" and "property damage" arising out of any one "occurrence".
 6. Subject to Paragraph 5. above, the Damage To Premises Rented to You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or to any one premises by the, while rented to you or temporarily occupied by you with permission of the owner.
 7. Subject to Paragraph 5. above, the Medical Expenses Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.
- The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.
- SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**
1. Bankruptcy

Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve us of our obligations under this Coverage Part.
 2. Duties in The Event Of Occurrence, Offense, Claim Or Suit
 - a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

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- (2) the names and location of any injury or damage arising out of the "accident" or "occurrence".
6. If a claim by, under or "suit" is brought and on any basis, you must:
- (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.
- You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- a. You and any other involved insured must:
- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
7. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
8. Legal Action Against Us
- a. No person or organization has a right under this Coverage Part:
- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
 - b. To sue us on this Coverage Part unless all of its terms have been fully complied with.
- A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii) That is Fire Insurance for accidents rented to you or temporarily occupied by you with permission of the owner;
 - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (iv) If the loss arises out of a maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g, of Section I -- Coverage A -- Bodily Injury And Property Damage Liability.
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

- (2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

Exhibit 1

- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
 - (b) The total of all deductible and self-insured amounts under all that other insurance.
- (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the limits of insurance shown in the Declarations of this Coverage Part.
- c. **Method Of Sharing**
- If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.
- If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.
- d. **Premium/Audit**
- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
 - b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
 - c. The first Named Insured must keep records of the information we used for premium computation, and send us copies at such times as we may request.
- e. **Representations**
- By accepting this policy, you agree:
- a. The statements in the Declarations are accurate and complete;
 - b. These statements are based upon representations and facts made to us;

c. We have found this policy to follow upon your representations.

7. **Supervision Of Insureds**

Except with respect to the duties of licensed persons, any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each covered person, claim is made or "suit" is brought.

8. **Transfer Of Rights Of Recovery Against Others To Us**

If the Insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The Insured must do nothing after loss to impair them. At our request, the Insured will bring "suit" or transfer those rights to us and help us enforce a award.

9. **When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured notice in the prescribed written notice of nonrenewal form that we have before the renewal date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION IV - ADVERTISEMENTS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific target segments of the public, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web sites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

1. " bodily injury " means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
2. "Coverage territory" means:
- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or other electronic means of communication.
3. Excepted the Insured's responsibility to pay damages is determined in a "sue" on the media, in the territory described in Paragraph a. above or in a settlement we agree to.
4. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
5. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
6. "Fusible fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
7. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement.
8. If such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

10. Insured's professional liability

- a. A contract for a lease or premises. However, that portion of the contract for a lease and premises that indemnifies any person or organization for damage by the insured premises while rented to you or temporarily occupied by you with permission of the owner is not an "Insured contract".
 - b. A sidetrack agreement.
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the full liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. That liability means a liability that would be imposed by law in the absence of any contract or agreement.
9. Paragraph 10. does not include the cost of any contract or agreement.
10. (4) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, trestle, roadbeds, tunnel, underground crossing;
11. (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
- (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
12. (3) Under which the Insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the Insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, or architectural or engineering activities.

Exhibit I

- (10) "Leased worker" means a worker leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- (11) "Loading or unloading" means the handling of property:
- After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - While it is in or on an aircraft, watercraft or "auto"; or
 - While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
- (12) "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- Bulldozers, farm machinery, tractors and other vehicles designed for use (wholly or partly) on roads;
 - Vehicles maintained for use solely on or over the premises you own or rent;
 - Vehicles that travel on crawler treads;
 - Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - Power cranes, elevators, loaders, diggers or drills; or
 - Road construction or repaving equipment such as graders, scrapers or rollers;
 - Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - Chain pilers and similar devices used to raise or lower workars;
- (13) Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo, including vehicles used in connection with the following types of permanently attached equipment, shall be considered "mobile equipment":
- (a) Equipment designed primarily for:
 - Transportation;
 - Road maintenance, but not construction or repaving;
 - Power generation;
 - (b) Chain pilers and similar devices mounted on tractor, chain or truck chassis and used to raise or lower workars; and
 - (c) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
- However, "mobile equipment" does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle law or regulation of a jurisdiction where it is licensed or registered, or subject to a compulsory or financial responsibility law or other motor vehicle law or regulation of a jurisdiction where it is licensed or registered.
- (14) "Premises" means an accident, including construction or repaving equipment, substantially the structure, fixtures and contents.
- (15) "Personal injury or property injury" means injury, including compensation for "bodily injury", arising out of one or more of the following offenses:
- Felony or misdemeanor imprisonment;
 - Malicious harassment;
 - The wrongful seizure from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - The use of another's advertising idea in your "advertisement"; or
 - Infringing upon another's copyright, trade dress or slogan in your "advertisement".

(b)(7)(C);

15. "Pollutant" means any solid, liquid, gaseous, thermal, irritant or contaminant, including dust, odor, vapor, noise, smoke, acid, alkali, fungus, steam, waste, waste liquid, heat, or other irritant, or any combination thereof, that is emitted, stored, released, or discharged or discharged or discharged.

16. "Products-completed operations" means:

a. Includes all "bodily injury" or "property damage" occurring away from premises you own, rent and sitting out of your operation "your work" except:

(1) Products that are sold or are delivered for sale; or

(2) Work that has not yet been completed or abandoned. However, if the work is completed or abandoned completed, it is considered a loss following these:

(a) When all of the work is completed for a job or contract has been completed;

(b) When all of the work is completed and the job site has been cleared of debris, equipment, and debris for the job site; or

(c) When the person or organization who the site has been cleared of debris, equipment, and debris for the job site; or

Work that is, products, or operations, or a combination, repair or replacement, but not if it is otherwise completed, or a product or completed.

b. Does not include "bodily injury" or "property damage" which is:

(1) The transportation or use of a vehicle, where the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, installed equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Classification or in a policy schedule, states that "products-completed operations" are excluded from the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss or expense of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "physical injury" that caused it.

For the purposes of this definition, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, calls, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or events you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

Exhibit I

(3) The providing of or failure to provide warnings or instructions.

c. Does not include working machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
- (2) The providing of or failure to provide warnings or instructions.

Exhibit 1

Liquor Liability Coverage Form

CO 00 33 12 07

LIQUOR LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

SECTION I - LIQUOR LIABILITY COVERAGE

1. Insuring Agreement

a. We will pay those sums that the Insured becomes legally obligated to pay as damages because of "injury" to which this insurance applies if liability for such "injury" is imposed on the Insured by reason of the selling, serving or furnishing of any alcoholic beverage. We will have the duty and duty to defend the Insured against any "suit" seeking such damages. However, we will have no duty to defend the Insured against any "suit" seeking damages for "injury" to which this insurance does not apply. We may, at our discretion, investigate any "injury" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to "injury" only if:

(1) The "injury" occurs during the policy period in the "coverage territory"; and

(2) Prior to the policy period, no Insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "injury" or claim, knew that the "injury" had occurred, in whole or in part. If such a listed Insured or authorized "employee" knew, prior to the policy period, that the "injury" occurred, then any continuation, change or resumption of such "injury" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Injury" which occurs during the policy period and which, prior to the policy period, known to have occurred by any Insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "injury" or claim, includes any continuation, change or resumption of that "injury" after the end of the policy period.

d. "Injury" will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "injury" or claim:

- (1) Reports all, or any part, of the "injury" to us or any other Insured;
- (2) Receives a written or verbal demand or claim for damages because of the "injury"; or
- (3) Becomes aware by any other means that "injury" has occurred or has begun to occur.

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Injury" expected or intended from the standpoint of the Insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Workers' Compensation And Similar Laws

Any obligation of the Insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

Exhibit 1

c. Employer's Liability

"bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

- (a) Employment by the insured; or
- (b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the "injury".

d. Liquor License Not in Effect

"injury" arising out of any alcoholic beverage sold, served or furnished while any required license is not in effect.

e. Your Product

"injury" arising out of "your product". This exclusion does not apply to "injury" for which the insured or the insured's indemnitees may be liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

f. Other Insurance

Any "injury" with respect to which other insurance is afforded, or would be afforded but for the exhaustion of the limits of insurance.

This exclusion does not apply if the other insurance responds to liability for "injury" imposed on the insured by reason of the selling, serving or furnishing of any alcoholic beverage.

g. War

"injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

SUPPLEMENTARY PAYMENTS

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- 1. All expenses we incur.
- 2. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- 3. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- 4. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- 5. Judgment interest awarded against the insured or full part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that portion of the offer.
- 6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.
- 7. Expenses incurred by the insured or first aid administered to others at the time of an event to which this insurance applies.

These payments will not reduce the limits of insurance.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

10/15/15

1. An organization is a partnership, joint venture or limited liability company, you are an insured. Your "employees" and directors are insured, but only with respect to their duties as your officers or directors. Your stockholders are also insured, but only with respect to their liability as stockholders.
2. Each of the following is also an insured:
- Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:
 - "Injury".
 - To you, to your partners or members (if you are a partnership or joint venture), to your managers (if you are a limited liability company), or to a "self-employed" while he or she is employed or acting in the course of his or her employment or performing duties related to the conduct of your business;
 - To the estates, heirs, parents, brother or sister, or that "self-employed" as a consequence of Paragraph (i) above; or
 - For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (i) or (b) above.
 - Property damaged to property:
 - Used or occupied by, or
 - Stored or loaned
 to that "employee", any of your other "employees", by any of your partners or members (if you are a partnership or joint venture), or by any of your members (if you are a limited liability company).
 - Any person or organization having proper temporary custody of your property if you die, but only:
 - With respect to liability arising out of the maintenance or use of that property; and
 - Until your legal representative has been appointed.
 - Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
 - Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
 - Coverage does not apply to "injury" that occurred before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

- The limits of insurance shown in the Declarations and the rules below for the most we will pay separately for the number of:
 - Accidents;
 - Duties made or "suits" brought; or
 - Persons or organizations making claims or bringing "suits".
- The Aggregate Limit is the most we will pay for all "injury" as the result of the selling, serving or furnishing of alcoholic beverages.
- Subject to the Aggregate Limit, the Each Common Cause Limit is the most we will pay for all "injury" sustained by one or more persons or organizations as the result of the selling, serving or furnishing of any alcoholic beverage to any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after expiration for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the limits of insurance.

SECTION IV - LIQUOR LIABILITY CONDITIONS

1. Contingency

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

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2. Duties in the Event of Injury, Claim or Suit

a. You must see to it that you are notified as soon as practicable of an "injury" which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "injury" took place;
- (2) The nature and address(es) of any injured person and witness(es); and
- (3) The nature and location of any "injury".

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the data received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Furnish us in detail, promptly and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "injury" to which the insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for cost aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover for an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary. Our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in b. below.

b. Method Of Sharing

If all of the other insurance payable covers the loss by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not provide contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid in the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

Page 1

- c. We that Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- The statements in the Declarations are accurate and complete;
- These statements are based upon representations you made to us; and
- We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the limits of insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- As if each Named Insured were the only Named Insured; and
- Separately to each Insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the Insured has rights to recover all or part of any payment we may make under this Coverage Part, these rights are transferred to us. The Insured must do nothing after loss to impair them. At our request, the Insured will bring "suit" or transfer these rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS

- "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- "Coverage territory" means:
 - The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - International waters or airspace, but only if the "injury" occurs in the course of travel or transportation between any places included in Paragraph a. above; or

- Any other parts of the world if our "agency" agrees out of.

(1) Goods or products made or used by you in the territory described in Paragraph a. above; or

(2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business.

provided the Insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

3. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

4. "Executive Officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

5. "Injury" means damages because of "bodily injury" and "property damage", including damages for pain, loss of services or loss of consent.

6. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

7. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the occurrence that caused it.

8. "Suit" means a civil proceeding in which damages because of "injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the Insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the Insured submits with our consent.

9. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

Exhibit 1

10. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product", and
 - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

Exhibit 1

COMMERCIAL GENERAL LIABILITY
CG 21 36 03 05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - NEW ENTITIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Paragraph 3. of Section II - Who Is An Insured does not apply.

Exhibit 1

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
CG 21 39 10 93

CONTRACTUAL LIABILITY LIMITATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The definition of "insured contract" in the DEFINITIONS Section is replaced by the following:

"insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A skidtrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement.

EXHIBIT 1

COMMERCIAL GENERAL LIABILITY -
08/21/17 12:47

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART**A. The following exclusion is added to Paragraph 2., Exclusions of Section 1 - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as selection, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section 1 - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as selection, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

Amalut 1

COMMERCIAL GENERAL LIABILITY
0021 49 00 00

(THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.)

TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Section 1, under Paragraph 2, Exclusions of Section 1 - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

This insurance does not apply to:

1. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or abatement or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, cost, defend or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental entity for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or abating, or in any way responding to or assessing the effects of "pollutants".

COMMERCIAL GENERAL LIABILITY
CG 2175 01/06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND LESSEES/FACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:
TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The acts certified by the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act involves or causes losses in excess of \$500,000 in aggregate, suffered by one or more types of persons subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or effect the conduct of the United States Government by coercion.

Exhibit 1

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 24 07 01 96

PRODUCTS/COMPLETED OPERATIONS HAZARD REDEFINED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement effective 09/01/2011	12:01 A.M. standard time	Policy No. ECH9729
Named Insured COZANZO HOSPITALITY SERV INC 103 JORDAN HOSPITALITY LLC, TAMPA, FL		Countersigned by

(Authorized Representative)

SCHEDULE

Description of Premises and Operations:

A5190

A6916

1013 SOLDIER SPRINGS RD LADAMOR NY

(If no entry appears above, information required to complete this endorsement not mentioned in the Declarations as applicable to this endorsement.)

With respect to "bodily injury" or "property damage" arising out of "your products" manufactured, sold, handled or distributed:

1. On, from or in connection with the use of any premises described in the Schedule, or
2. In connection with the conduct of any operation described in the Schedule, when conducted by you or on your behalf.

Paragraph a. of the definition of "Products-completed operations hazard" in the DEFINITIONS Section is replaced by the following:

"Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" that arises out of "your products" if the "bodily injury" or "property damage" occurs after you have relinquished possession of those products.



ESSEX INSURANCE COMPANY

Liquor Liability Coverage Part
Supplemental Declarations

POLICY NUMBER: 20W7720

Limits of Insurance	
EACH COMMON CAUSE LIMIT	\$ 1,000,000
AGGREGATE LIMIT	\$ 1,000,000

Retrospective Date (09/08/2014)	
THE INSURANCE COVERAGE AND / OR SERVICE WHICH COVERS THE RISK IS NOT RETROSPECTIVE IN ANY MANNER BELOW.	
RETROSPECTIVE DATE:	
(ENTER DATE OF POLICY OR POLICY RENEWAL DATE)	

All Premises You Own, Rent Or Occupy	
LOCATION NUMBER	ADDRESS OF ALL PREMISES YOU OWN, RENT OR OCCUPY
1	231A SOLDIER SPRINGS RD KARAMET NY

Classification And Premium				
CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE	ADVANCE PREMIUM
REST/PAVERN	58161	\$ 48000	\$ 15.634	\$750.00
TOTAL PREMIUM (SUBJECT TO ADJUST)				\$ 750.00
ADJUST PERIOD (IF APPLICABLE)	<input checked="" type="checkbox"/> ANNUALLY	<input type="checkbox"/> SEMI-ANNUALLY	<input type="checkbox"/> QUARTERLY	<input type="checkbox"/> MONTHLY

Endorsements	
Forms and Endorsements applying to this policy at time of issue:	
CG 00 01 (12-07), CG 00 33 (12-07), CG 23 16 (01-05), CG 23 32 (10-03), CG 23 47 (12-07), CG 23 49 (09-99), CG 23 73 (01-08), CG 24 07 (01-06), NS 003 (01-03), NS 045 (01-03), NS 093 04 10, MS-172 (01-09), MS-193 (01-09), CS 317 (07-09), REG. 6501 05 10,	

Exhibit 1



ESSEX INSURANCE COMPANY

ADDITIONAL INSURED ENDORSEMENT

* Policy optional if attached to the Commercial Policy Endorsement. This policy is subject to the effective date of the endorsement to the extent on the effective date of the policy.

ATTACHED TO AND FORMING PART OF POLICY NO.	EFFECTIVE DATE OF ENDORSEMENT	ISSUED TO
RCM9728	08/01/2011	COLORADO HOSPITALITY SERV INC DBA LARAMIE HOSPITALITY LLC, RAMADA INN

THIS ENDORSEMENT CHANGES THE POLICY.

SECTION B - WHO IS AN INSURED of the Commercial General Liability Form is amended to include:

Person or Entity:

RAMADA WORLDWIDE INC
WYNDHAM WORLDWIDE CORP WYNDHAM GLOBAL SECUR, LLC
22 SYLVAN WAY
BARTLETT, MD 20754

Interest of the Above:
CONTRACTUAL

as an additional insured under this policy, but only as respects negligent acts or omissions of the Named insured and only for occurrences, claims or coverage not otherwise excluded in the policy.

It is further agreed that where no coverage shall apply herein for the Named insured, no coverage nor defense shall be afforded to the above identified additional insured.

Moreover, it is agreed that no coverage shall be afforded to the above identified additional insured for any "bodily injury," "personal and advertising injury," or "property damage" to any employee of the Named insured or to any obligation of the additional insured to indemnify another because of damages arising out of such injury.

Additional Premium:

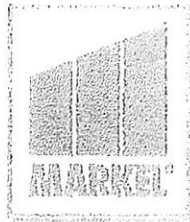
100.00

ENDORSEMENT PRESENTATION

10/1/11

END (2) (print)

Exhibit 1



ESSEX INSURANCE COMPANY

DEDUCTIBLE ENDORSEMENT

**Endorsement If added to the Commercial Policy Questionnaire, this endorsement becomes effective on the date of its attachment to the policy or the effective date of the policy.*

ATTACHED TO /AND FORMERLY
PART OF POLICY NO.
2015728

EFFECTIVE DATE
OF ENDORSEMENT
01/01/2015

ENDORSED TO
COLUMBIA HOSPITALITY SERV INC
USA GRUPO DE HOSPITALITY LLC, CANADA INC

THIS ENDORSEMENT MODIFIES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE

Coverage

Amount and Basis of Deductible

If provided by this policy:

Bodily Injury, Property Damage
Professional or Personal and
Advertising Injury Liability

\$ 500 Per Claim

Exception:

\$ Per Claim

☐ If this box is so marked, the basis of deductible is changed to apply on a per claim per claim property damage deductible basis.

- Our obligation under Bodily Injury Liability, Personal and/or Auto Liability, Professional Liability, Personal and/or Advertising Injury Liability, or any other coverage provided by this policy except Coverage C Medical Payments if afforded under this policy, to pay damages, as the deductible applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above. The deductible amount stated above shall be applicable to each claim and will include loss payments, adjustment, investigative and legal fees and costs, whether or not loss payment is involved.
- The deductible amount stated above applies under the coverages respectively to all damages sustained by one person, or organization, as the result of any one occurrence.
- The terms of this insurance, including those with respect to:
 - Our right and duty to defend any "suit" resulting from damages; and
 - Your duties in the event of an "occurrence," either, shall apply irrespective of the application of the deductible amount.
- We may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

COPIED FROM POLICY

3/1/15

08/07/15

Exhibit 1



ESSEX INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Habitational Combination Endorsement

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The coverage under this policy does not apply to "bodily injury", "property damage", "personal and advertising injury" arising out of:

1. An actual or alleged violation of any building code, ordinance, or statute;
2. Swimming pool(s), unless specifically classified and shown on the Declarations or Schedule and they must be fenced according to code with self-closing and self-locking gates;
3. Assault and/or battery, or any act or omission in connection with the prevention or suppression of such acts, whether caused by or at the instigation or direction of any insured, insured's "employees", patrons, or any other person. Nor does this insurance apply with respect to any charges or allegations of negligent hiring, training, placement or supervision. Assault and/or battery includes "bodily injury" resulting from the use of reasonable force to protect persons or property. The sentence "This exclusion does not apply to 'bodily injury' resulting from the use of reasonable force to protect persons or property" is deleted from the Commercial General Liability Coverage Form, Section II, Item 2., Exclusions, a; or
4. Any animal, regardless of whether it is owned by you, in your care, or on your premises.

Exhibit 1



ESSEX INSURANCE COMPANY

PRODUCTS/COMPLETED OPERATIONS
INCLUDED IN GENERAL AGGREGATE

*Entry optional if shown in the Common Policy Declarations. If no entry is shown, the effective date of the endorsement is the same as the effective date of the policy.

ATTACHED TO AND FORMING PART OF POLICY NO.	EFFECTIVE DATE OF ENDORSEMENT	ISSUED TO
2CM9728	08/01/2011	COLORADO HOSPITALITY SERV INC DBA LARAMIE HOSPITALITY LLC, RAMADA INN

THIS ENDORSEMENT CHANGES THE POLICY.

For those classifications stated on the supplemental declarations of the general liability coverage part as including products and/or completed operations, if any, the exposure for such is included within the policy general aggregate limit, and no separate products/completed operations aggregate limit applies. You are not covered for products and/or completed operations arising from any other operations not listed on your policy.

 AUTHORIZED REPRESENTATIVE

 DATE

Exhibit 1



ESSEX INSURANCE COMPANY

**RESTAURANT, BAR, TAVERN, NIGHT CLUBS,
FRATERNAL AND SOCIAL CLUBS ENDORSEMENT**

* Entry optional if shown in the Common Policy Declarations. If no entry is shown, the effective date of the endorsement is the same as the effective date of the policy.

ATTACHED TO AND FORMING PART OF POLICY NO. 2CM9728	EFFECTIVE DATE OF ENDORSEMENT 08/01/2011	ISSUED TO COLORADO HOSPITALITY SERV INC DBA LARAMIE HOSPITALITY LLC, RAMADA INN
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THIS ENDORSEMENT CHANGES THE POLICY.

The coverage under this policy does not apply to "bodily injury," "property damage," "personal and advertising injury," or any injury, loss or damage arising out of:

- I. Injury to any entertainer, stage hand, crew, independent contractor, or injury to any spectator, patron or customer who participates in or is a part of any athletic event, demonstration, show, competition or contest; or
- II. To property or equipment of anyone listed in I. above; or
- III. Any mechanical ride, slides, boat docks, piers, or swimming pools; or
- IV. Assault and/or Battery, or out of any act or omission in connection with the prevention or suppression of such acts, whether caused by or at the instigation or direction of any insured, insured's employees, patrons or any other person. Nor does this insurance apply with respect to any charges or allegations of negligent hiring, training, placement or supervision. Furthermore, assault and/or battery includes "bodily injury" resulting from the use of reasonable force to protect persons or property. The sentence "This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property" is deleted from the Commercial General Liability Coverage Form, Section I, Item 2., Exclusions, a.
- V. Liquor Liability. Liquor Liability 2.c. Exclusion, Commercial General Liability Coverage Form, Section I-Coverage, is replaced by the following and applies throughout this policy:

The coverage under this policy does not apply to "bodily injury," "property damage," "personal and advertising injury," or any injury, loss or damage arising out of:

- A. Causing or contributing to the intoxication of any person; and/or
- B. Furnishing alcoholic beverages to anyone under legal drinking age or under the influence of alcohol; and/or
- C. Any statute, ordinance or regulation relating to sales, gift, distribution or use of alcoholic beverages; and/or
- D. Any act or omission by any insured, any employee of any insured, patrons, members, associates, volunteers or any other persons respects providing or failing to provide transportation, detaining or failing to detain any person, or any act of assuming or not assuming responsibility for the well being, supervision or care of any person allegedly under or suspected to be under the influence of alcohol; or
- VI. Any special effects including but not limited to pyrotechnics and pyrotechnical devices of any kind.

Exhibit 1



ESSEX INSURANCE COMPANY

SPECIFIED /DESIGNATED PREMISES/PROJECT LIMITATION

* Entry optional if shown in the Common Policy Declarations. If no entry is shown, the effective date of the endorsement is the same as the effective date of the policy.

*ATTACHED TO AND FORMING PART OF POLICY NO.	*EFFECTIVE DATE OF ENDORSEMENT	*ISSUED TO
2CM9728	08/01/2011	COLORADO HOSPITALITY SERV INC DBA LARAMIE HOSPITALITY LLC, LARAMIE WY

THIS ENDORSEMENT CHANGES THE POLICY.

Schedule

Premises:

2313 SOLDIER SPRINGS RD LARAMIE WY

Project:

16916

45190

(Complete above if information different than that shown in the Declarations)

This Insurance applies only to "bodily injury", "property damage", "personal and advertising injury" and medical expenses arising out of:

1. The ownership, maintenance or use of the premises shown in the Schedule (or Declarations); or
2. The project shown in the Schedule (or Declarations).

 AUTHORIZED REPRESENTATIVE

 DATE

Exhibit 1



COMMERCIAL GENERAL LIABILITY

ESSEX INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMBINATION GENERAL ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. This insurance does not apply to claims arising out of breach of contract, whether written or oral, express or implied, implied-in-law, or implied-in-fact contract.
2. Section I - Coverages, Item, 2. Exclusion e., Employer's Liability, is replaced by the following and applies throughout this policy:

e. This insurance does not apply to liability for "bodily injury" to:

- (1) An "employee" of any insured arising out of and in the course of employment or while performing duties related to the conduct of an insured's business; or
- (2) Any injury or damage to any other person including but not limited to spouse, child, parent, brother, sister or relative of the "employee" as a consequence of (1) above.

This exclusion applies whether an insured may be liable as an employer or in any other capacity and applies to any obligation to share damages with or repay someone else who must pay damages because of the injury, as well as liability assumed under any "insured contract." Wherever the word "employee" appears above, it shall also mean any member, associate, co-employee, "leased worker", casual worker, "temporary worker", union worker, "volunteer worker", or any person or persons loaned to or volunteering services to you.

3. Fines, penalties, and punitive or exemplary damages are not covered under this policy nor are any expenses or any obligation to share such damages or repay another. However, this does not apply to Punitive Damages from Wrongful Death brought under Alabama's Wrongful Death Statute.
4. Professional liability, errors, omission, negligent acts, malpractice and/or acts of any type including rendering or failure to render any type professional service is not covered under this policy, unless such coverage is specifically endorsed onto the policy.
5. This insurance does not apply to "bodily injury", "property damage", "personal and advertising injury" or any injury, loss, or damages, including consequential injury, loss or damage, arising out of, caused or contributed to by:
 - a. Discrimination of any kind, actual or alleged;
 - b. Any insured covered by this policy initiating causes of action or allegations against any other insured covered by this policy;
 - c. Movement of land or earth regardless whether emanating from, aggravated by, or attributable to any operations performed by or on behalf of any insured whether the first manifestation of same occurs during the policy period or prior or subsequent thereto. Movement of land or earth includes instability, subsidence, settling, sinking,

Exhibit 1

slipping, falling away, caving in, shifting, eroding, rising, tilting, bulging, cracking, mud flow, mudslide, earthquake, shrinking or expansion of ground, slabs, footings, foundations, walls, roofs, floors, ceilings or any other real property or part thereof;

4. Asbestos, lead, silica dust, dust and/or toxic dust, "fungi", bacteria, organic pathogens, bio-organic growth and/or systemic chemical poisoning

(1) Whether arising out of actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, discharge, dispersal, seepage, migration, infiltration, infestation, release, escape, growth, production or reproduction of or toxic substances from asbestos, lead, silica dust, dust and/or toxic dust, "fungi", bacteria, organic pathogens, bio-organic growth and/or systemic chemical poisoning. This applies regardless of source, including but not limited to, from any goods, products or structures containing same, existence of same in any form, in occupancy or construction, manufacture, sale, transportation, handling, storage, disposal or removal of same; and

(2) Regardless of supervision, instructions, recommendations, requests, warnings or advice given or which should have been given, as well as any costs, including but not limited to abatement, mitigation, removal, containment, treatment, detoxification, neutralization, or disposal of same, or in any way respond to assess the effects of same.

Coverage does not apply to any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way, responding to, or assessing the effects by any insured or by any other person or entity.

"Fungi" as used herein means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi. However, this exclusion does not apply to any "fungi" or bacteria that are on, or are contained in, a good or product intended for bodily consumption.

6. Where there is no coverage afforded to the Named Insured(s) or any other Insured(s) as defined in Who Is An Insured under this policy, there is no coverage afforded to any Additional Insured(s).
7. Unless stated elsewhere in this policy, the following exclusion applies only to injury, loss, or damages sustained in Illinois and/or New York State:

This Insurance does not apply to "bodily injury", "property damage", "personal and advertising injury" or any injury, loss, or damages, including consequential injury, loss or damage, arising out of, caused or contributed to by any injury sustained by any contractor, self-employed contractor, and/or subcontractor, or any "employee", "leased worker", casual worker, contract worker, "temporary worker," or "volunteer worker" of same. This exclusion applies to any obligation to share damages with or repay someone else who must pay damages because of the injury, as well as liability assumed under any "insured contract".

8. All references in this policy to minimum and/or deposit premiums and premium audits are replaced by the following:
- a. The premium shown as advanced premium is both a deposit premium and a minimum premium for the policy term. At the close of each audit period, we will compute the earned premium for that period. If the earned is more than the advanced premium, then the amount by which the earned exceeds the advanced premium is due and payable on notice to you. If the earned premium is less, the advanced premium applies as the minimum premium with no return premium payable to you.
- b. If this policy is cancelled, the pro rata or short rate of the minimum and deposit premium will apply for the policy term, subject to an absolute minimum earned premium of twenty-five percent (25%) of the total advanced premium unless final audit develops a premium greater than twenty-five percent (25%) of the total advanced premium. If your business is seasonal, the minimum premium then becomes fully earned at the end of your season.

All other terms and conditions remain unchanged.

Exhibit 1



ESSEX INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Exclusion - All Assault Or Battery

This endorsement modifies insurance provided under the following:

LIQUOR LIABILITY COVERAGE FORM

A. The following exclusion is added to Paragraph 2, Exclusions of SECTION 1 - LIQUOR LIABILITY COVERAGE:

This insurance does not apply to "injury" arising out of any:

1. Actual or alleged assault or battery, regardless of culpability or intent;
2. Physical altercation; or
3. Any act or omission in connection with the prevention or suppression of such acts, including the alleged failure to provide adequate security.

This exclusion applies regardless of whether such actual or alleged damages are caused by any:

1. Insured;
2. "Employee";
3. Patron; or
4. Any other person;

whether or not such damages occurred at any premises owned or occupied by any insured.

This exclusion applies to:

1. All causes of action arising out of any assault or battery, regardless of culpability or intent, or out of a physical altercation including, but not limited to, allegations of negligent hiring, placement, training, or supervision, or to any act, error, or omission relating to such an assault or battery or physical altercation;
2. Any claims or "suits" brought by any other person, firm or organization asserting rights derived from, contingent upon, or arising out of an assault or battery, or a physical altercation; and specifically excludes from coverage claims or "suits" for:
 - a. Emotional distress for loss of society, services, consortium or income; or
 - b. Reimbursement for expenses including, but not limited to, medical expenses, hospital expenses, or wages, paid or incurred, by such other person, firm or organization; or
3. Any obligation to share damages with or repay someone who must pay damages because of the "injury".

B. Exclusion a. under Paragraph 2, Exclusions of Section 1 - LIQUOR LIABILITY COVERAGE is replaced by the following:

This insurance does not apply to:

- a. Expected Or Intended Injury

"injury" expected or intended from the standpoint of the insured.

C. We will have no duty to defend or indemnify any insured in any action or proceeding alleging damages arising out of any assault or battery or physical altercation."

All other terms and conditions remain the same.

Exhibit 1

COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS

Policy No. 2CH9728

Effective Date: 08/01/2011

12:01 A.M., Standard Time

☐ Supplemental Declaration is attached.

Class Code: 0742

Class Description: MOTELS AND HOTELS WITH RESTAURANTS

DESCRIPTION OF PREMISES

PREM. NO.	BLDG. NO.	LOCATION, CONSTRUCTION AND OCCUPANCY	TAXES	NY 82070	Masonry NC
1	1	2112 SOLDIER SPRINGS RD		04	

COVERAGES PROVIDED - INSURANCE AT THE DESCRIBED PREMISES APPLIES ONLY FOR COVERAGES FOR WHICH A LIMIT IS SHOWN

PREM. NO.	BLDG. NO.	COVERAGE	LIMIT OF INSURANCE	COVERED CAUSES OF LOSS	VALUATION	CONSURANCE ¹	RATES
1	1	Building	2,580,000	Special	ACV	80%	.28 an

1 IF EXTRA EXPENSE COVERAGE, LIMITS ON LOSS PAYMENTS

OPTIONAL COVERAGES - APPLICABLE ONLY WHEN ENTRIES ARE MADE IN THE SCHEDULE BELOW

PREM. NO.	BLDG. NO.	COVERAGE	LIMIT OF INSURANCE	COVERED CAUSES OF LOSS	VALUATION	CONSURANCE ¹	RATES
1	1	Equipment Breakdown					

1 IF EXTRA EXPENSE COVERAGE, LIMITS ON LOSS PAYMENTS

MORTGAGE HOLDER(S)

PREM. NO.	BLDG. NO.	MORTGAGE HOLDER NAME AND MAILING ADDRESS

DEDUCTIBLE

\$ 15000

☒ PER OCCURENCE☐ PER LOCATION☐ PER BUILDING

FORMS AND ENDORSEMENTS

Forms and Endorsements applying to this Coverage Part and made part of this policy at time of issue:
APPLICABLE TO ALL COVERAGES:

SEE FORMS SCHEDULE - MDIL 1001

PREMIUM FOR THIS COVERAGE PART: \$ 7,426.00

* Information omitted if shown elsewhere in the policy. ** Inclusion of data optional

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

011-1031 (5-85)

Exhibit 1

COMMERCIAL PROPERTY
CP 00 10 06 07**BUILDING AND PERSONAL PROPERTY
COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section H., Definitions.

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, A.1., and limited in A.2., Property Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

a. Building, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery and
 - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;

(5) If not covered by other insurance:

- (a) Additions under construction, alterations and repairs to the building or structure;

- (b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. Your Business Personal Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property - Separation Of Coverage form:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments, improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

Exhibit 1

c. Personal Property Of Others that is:

- (1) In your care, custody or control; and
- (2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;

31. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software;

o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;

p. Vehicles or self-propelled machines (including aircraft or watercraft) that:

- (1) Are licensed for use on public roads; or
- (2) Are operated principally away from the described premises.

This paragraph does not apply to:

- (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (c) Rowboats or canoes out of water at the described premises; or
- (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers;

Exhibit 1

4. The following property while outside of buildings:
- (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.
3. Covered Causes Of Loss
See applicable Causes Of Loss Form as shown in the Declarations.
4. Additional Coverages
- a. Debris Removal
- (1) Subject to Paragraphs (3) and (4), we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
 - (2) Debris Removal does not apply to costs to:
 - (a) Extract "pollutants" from land or water; or
 - (b) Remove, restore or replace polluted land or water.
 - (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
 - (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.
 - (4) We will pay up to an additional \$10,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$10,000.

(5) Examples

The following examples assume that there is no Coinsurance penalty.

EXAMPLE #1

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 50,000
Amount of Loss Payable:	\$ 49,500
	(\$50,000 - \$500)
Debris Removal Expense:	\$ 10,000
Debris Removal Expense Payable:	\$ 10,000
	(\$10,000 is 20% of \$50,000.)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

EXAMPLE #2

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 80,000
Amount of Loss Payable:	\$ 79,500
	(\$80,000 - \$500)
Debris Removal Expense:	\$ 30,000
Debris Removal Expense Payable	
Basic Amount:	\$ 10,500
Additional Amount:	\$ 10,000

Exhibit 1

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: $\$80,000 (\$79,500 + \$500) \times .25 = \$20,000$; capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the loss payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal expense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

b. Preservation Of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000, unless a higher limit is shown in the Declarations, for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
 - (2) Required by local ordinance.
- No Deductible applies to this Additional Coverage.

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

e. Increased Cost Of Construction

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with enforcement of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in a.(3) through a.(9) of this Additional Coverage.
- (3) The ordinance or law referred to in a.(2) of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.

Exhibit 1

- (4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:
 - (a) You were required to comply with before the loss, even when the building was undamaged; and
 - (b) You failed to comply with.
 - (5) Under this Additional Coverage, we will not pay for:
 - (a) The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
 - (b) Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.
 - (6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of: \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.
 The amount payable under this Additional Coverage is additional insurance.
 - (7) With respect to this Additional Coverage:
 - (a) We will not pay for the Increased Cost of Construction:
 - (i) Until the property is actually repaired or replaced, at the same or another premises; and
 - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - (b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased Cost of Construction, subject to the provisions of a.(6) of this Additional Coverage, is the increased cost of construction at the same premises.
 - (c) If the ordinance or law requires relocation to another premises, the most we will pay for the increased Cost of Construction, subject to the provisions of a.(6) of this Additional Coverage, is the increased cost of construction at the new premises.
 - (8) This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.
 - (9) The costs addressed in the Loss Payment and Valuation Conditions, and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of an ordinance or law. The amount payable under this Additional Coverage, as stated in a.(6) of this Additional Coverage, is not subject to such limitation.
- f. Electronic Data**
- (1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data.
 - (2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.

Exhibit 1

(3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, Electronic Data, subject to the following:

(a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Electronic Data, is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.

(b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.

(c) If the Causes Of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Electronic Data.

(d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

(4) The most we will pay under this Additional Coverage, Electronic Data, is \$2,500 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more, or a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

(a) Your new buildings while being built on the described premises; and

(b) Buildings you acquire at locations, other than the described premises, intended for:

(i) Similar use as the building described in the Declarations; or

(ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(2) Your Business Personal Property

(a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

(i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;

(ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or

(iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

Exhibit 1

(b) This Extension does not apply to:

- (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers And Records (Other Than Electronic Data)

(1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.

(2) If the Causes Of Loss – Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.

(3) If the Causes Of Loss – Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.

(4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

d. Property Off-premises

(1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:

- (a) Temporarily at a location you do not own, lease or operate;
- (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
- (c) At any fair, trade show or exhibition.

Exhibit 1

(2) This Extension does not apply to property;

(a) In or on a vehicle; or

(b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.

(3) The most we will pay for loss or damage under this Extension is \$10,000.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

(1) Fire;

(2) Lightning;

(3) Explosion;

(4) Riot or Civil Commotion; or

(5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

f. Non-owned Detached Trailers

(1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

(a) The trailer is used in your business;

(b) The trailer is in your care, custody or control at the premises described in the Declarations; and

(c) You have a contractual responsibility to pay for loss or damage to the trailer.

(2) We will not pay for any loss or damage that occurs:

(a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;

(b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

(3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.

(4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

B. Exclusions And Limitations

See applicable Causes Of Loss Form as shown in the Declarations.

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;

2. Pollutant Clean-up And Removal;

3. Increased Cost Of Construction; and

4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

Exhibit 1

D. Deductible

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

EXAMPLE #1

(This example assumes there is no Coinsurance penalty.)

Deductible:	\$ 250
Limit of Insurance -- Building #1:	\$ 80,000
Limit of Insurance -- Building #2:	\$ 80,000
Loss to Building #1:	\$ 80,100
Loss to Building #2:	\$ 90,000

The amount of loss to Building #1 (\$80,100) is less than the sum (\$80,250) of the Limit of Insurance applicable to Building #1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building #1:

$$\begin{array}{r} \$ 80,100 \\ - \quad 250 \\ \hline \end{array}$$

\$ 59,850 Loss Payable -- Building #1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building #2. Loss payable for Building #2 is the Limit of Insurance of \$80,000.

Total amount of loss payable:

$$\$59,850 + \$80,000 = \$139,850$$

EXAMPLE #2

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example #1.

Loss to Building #1:	\$ 70,000
(Exceeds Limit of Insurance plus Deductible)	
Loss to Building #2:	\$ 90,000
(Exceeds Limit of Insurance plus Deductible)	
Loss Payable -- Building #1:	\$ 60,000
(Limit of Insurance)	
Loss Payable -- Building #2:	\$ 80,000
(Limit of Insurance)	
Total amount of loss payable:	\$ 140,000

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- Pay its chosen appraiser; and
- Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

Exhibit 1

3. Duties In The Event Of Loss Or Damage

a. You must see that the following are done in the event of loss or damage to Covered Property:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:

- (1) Pay the value of lost or damaged property;
- (2) Pay the cost of repairing or replacing the lost or damaged property, subject to b. below;
- (3) Take all or any part of the property at an agreed or appraised value; or
- (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to b. below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.

- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.

Exhibit 1

h. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

6. Vacancy

a. Description Of Terms

(1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:

(a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

(b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

- (i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
- (ii) Used by the building owner to conduct customary operations.

(2) Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

(1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:

- (a) Vandalism;
- (b) Sprinkler leakage, unless you have protected the system against freezing;
- (c) Building glass breakage;
- (d) Water damage;
- (e) Theft; or
- (f) Attempted theft.

(2) With respect to Covered Causes of Loss other than those listed in b.(1)(a) through b.(1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

- a. At actual cash value as of the time of loss or damage, except as provided in b., c., d. and e. below.
- b. If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

Exhibit 1

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value even when attached to the building:

- (1) Awnings or floor coverings;
 - (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
 - (3) Outdoor equipment or furniture.
 - c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
 - d. Glass at the cost of replacement with safety-glazing material if required by law.
 - e. Tenants' Improvements and Betterments at:
 - (1) Actual cash value of the lost or damaged property if you make repairs promptly.
 - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.
- If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
- (3) Nothing if others pay for repairs or replacement.

F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

EXAMPLE #1 (UNDERINSURANCE)

When:	The value of the property is:	\$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	\$ 100,000
	The Deductible is:	\$ 250
	The amount of loss is:	\$ 40,000

Step (1): $\$250,000 \times 80\% = \$200,000$

(the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$100,000 \div \$200,000 = .50$

Step (3): $\$40,000 \times .50 = \$20,000$

Step (4): $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

Exhibit 1

EXAMPLE #2 (ADEQUATE INSURANCE)

When: The value of the property is: \$ 250,000
 The Coinsurance percentage for it is: 80%
 The Limit of Insurance for it is: \$ 200,000
 The Deductible is: \$ 250
 The amount of loss is: \$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 (\$250,000 x 80%). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$39,750 (\$40,000 amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

EXAMPLE #3

When: The value of the property is:
 Building at Location #1: \$ 75,000
 Building at Location #2: \$ 100,000
 Personal Property at Location #2: \$ 75,000
 \$ 250,000
 The Coinsurance percentage for it is: 80%
 The Limit of Insurance for Buildings and Personal Property at Locations #1 and #2 is: \$ 180,000
 The Deductible is: \$ 1,000
 The amount of loss is:
 Building at Location #2: \$ 30,000
 Personal Property at Location #2: \$ 20,000
 \$ 50,000

Step (1): $\$250,000 \times 80\% = \$225,000$
 (the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2): $\$180,000 + \$225,000 = .80$

Step (3): $\$50,000 \times .80 = \$40,000$

Step (4): $\$40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

2. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
 - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
 - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.

Exhibit 1

- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. Agreed Value

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.
- b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.
- c. The terms of this Optional Coverage apply only to loss or damage that occurs:
 - (1) On or after the effective date of this Optional Coverage; and
 - (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

- a. The Limit of Insurance for property to which this Optional Coverage applied will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
 - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
 - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times
 - (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

EXAMPLE

If: The applicable Limit of Insurance is: \$ 100,000
 The annual percentage increase is: 8%
 The number of days since the beginning of the policy year (or last policy change) is: 146
 The amount of increase is:
 $\$100,000 \times .08 \times 146 \div 365 =$ \$ 3,200

3. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.
- b. This Optional Coverage does not apply to:
 - (1) Personal property of others;
 - (2) Contents of a residence;
 - (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or
 - (4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

- c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
- d. We will not pay on a replacement cost basis for any loss or damage:
 - (1) Until the lost or damaged property is actually repaired or replaced; and
 - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

Exhibit 1

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COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

G. OTHER INSURANCE

1. You may have other insurance subject to the

same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable limit of insurance under this Coverage Part bears to the limits of insurance of all insurance covering on the same basis.

2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable limit of insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance;
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you; or
 - c. Your tenant.

This will not restrict your insurance.

Exhibit 1

COMMERCIAL PROPERTY
CP 10 30 06 07**CAUSES OF LOSS -- SPECIAL FORM**

Words and phrases that appear in quotation marks have special meaning. Refer to Section G., Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means Risks Of Direct Physical Loss unless the loss is:

1. Excluded in Section B., Exclusions; or
2. Limited in Section C., Limitations; that follow.

B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Ordinance Or Law

The enforcement of any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property has not been damaged; or
- (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Earthquake, including any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in b.(1) through (4) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

Exhibit 1

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

f. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows from a sewer, drain or sump; or
- (4) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings.

But if Water, as described in g.(1) through g.(4) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

h. "Fungus", Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

1. When "fungus", wet or dry rot or bacteria results from fire or lightning; or
2. To the extent that coverage is provided in the Additional Coverage -- Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions B.1.a. through B.1.h. apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:
 - a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:
 - (1) Electrical or electronic wire, device, appliance, system or network; or
 - (2) Device, appliance, system or network utilizing cellular or satellite technology.

Exhibit 1

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or micro-waves.

But if fire results, we will pay for the loss or damage caused by that fire.

- b. Delay, loss of use or loss of market.
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.
- d. (1) Wear and tear;
- (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (3) Smog;
- (4) Settling, cracking, shrinking or expansion;
- (5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.
- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.
- (7) The following causes of loss to personal property:
 - (a) Dampness or dryness of atmosphere;
 - (b) Changes in or extremes of temperature; or
 - (c) Marring or scratching.

But if an excluded cause of loss that is listed in 2.d.(1) through (7), results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

a. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

- (1) You do your best to maintain heat in the building or structure; or
- (2) You drain the equipment and shut off the supply if the heat is not maintained.

h. Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others; or
- (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your employees (including leased employees); but theft by employees (including leased employees) is not covered.

i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

j. Rain, snow, ice or sleet to personal property in the open.

Exhibit 1

k. Collapse, including any of the following conditions of property or any part of the property:

- (1) An abrupt falling down or caving in;
- (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion, k., does not apply:

- (a) To the extent that coverage is provided under the Additional Coverage - Collapse; or
- (b) To collapse caused by one or more of the following:
 - (i) The "specified causes of loss";
 - (ii) Breakage of building glass;
 - (iii) Weight of rain that collects on a roof; or
 - (iv) Weight of people or personal property.

l. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion, l., does not apply to damage to glass caused by chemicals applied to the glass.

m. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c. But if an excluded cause of loss that is listed in 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.

b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

c. Faulty, inadequate or defective:

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (3) Materials used in repair, construction, renovation or remodeling; or
- (4) Maintenance;

of part or all of any property on or off the described premises.

4. Special Exclusions

The following provisions apply only to the specified Coverage Forms.

a. **Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form**

We will not pay for:

- (1) Any loss caused by or resulting from:
 - (a) Damage or destruction of "finished stock"; or
 - (b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.

- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.

- (3) Any increase of loss caused by or resulting from:

- (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or

Exhibit 1

- (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.
- (4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
- (5) Any other consequential loss.
- b. Leasehold Interest Coverage Form
 - (1) Paragraph B.1.a., Ordinance Or Law, does not apply to Insurance under this Coverage Form.
 - (2) We will not pay for any loss caused by:
 - (a) Your cancelling the lease;
 - (b) The suspension, lapse or cancellation of any license; or
 - (c) Any other consequential loss.
- c. Legal Liability Coverage Form
 - (1) The following exclusions do not apply to Insurance under this Coverage Form:
 - (a) Paragraph B.1.a., Ordinance Or Law;
 - (b) Paragraph B.1.c., Governmental Action;
 - (c) Paragraph B.1.d., Nuclear Hazard;
 - (d) Paragraph B.1.e., Utility Services; and
 - (e) Paragraph B.1.f., War And Military Action.

- (2) The following additional exclusions apply to Insurance under this Coverage Form:

(a) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

- (I) Your assumption of liability was executed prior to the accident; and

- (II) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

5. Additional Exclusion

The following provisions apply only to the specified property.

LOSS OR DAMAGE TO PRODUCTS

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Exhibit 1

C. Limitations

The following limitations apply to all policy forms and endorsements, unless otherwise stated.

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
 - d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

 - (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
 - (2) Business Income Coverage or Extra Expense Coverage.
 - e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
 - f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - a. Animals, and then only if they are killed or their destruction is made necessary.
 - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass; or
 - (2) Containers of property held for sale.
 - c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

 - (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or
 - (2) To Business Income Coverage or to Extra Expense Coverage.
3. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:
 - a. \$2,500 for furs, fur garments and garments trimmed with fur.
 - b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
 - c. \$2,500 for patterns, dies, molds and forms.
 - d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, C.3., does not apply to Business Income Coverage or to Extra Expense Coverage.

Exhibit 1

8. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage;

- a. Results in discharge of any substance from an automatic fire protection system; or
- b. Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

D. Additional Coverage — Collapse

The coverage provided under this Additional Coverage — Collapse applies only to an abrupt collapse as described and limited in D.1. through D.7.

1. For the purpose of this Additional Coverage — Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

- a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:

- (1) A cause of loss listed in 2.a. or 2.b.;
- (2) One or more of the "specified causes of loss";
- (3) Breakage of building glass;
- (4) Weight of people or personal property; or
- (5) Weight of rain that collects on a roof.

3. This Additional Coverage — Collapse does not apply to:

- a. A building or any part of a building that is in danger of falling down or caving in;
- b. A part of a building that is standing, even if it has separated from another part of the building; or
- c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:

- a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
- b. Awnings, gutters and downspouts;
- c. Yard fixtures;
- d. Outdoor swimming pools;
- e. Fences;
- f. Piers, wharves and docks;
- g. Beach or diving platforms or appurtenances;
- h. Retaining walls; and
- i. Walks, roadways and other paved surfaces;

If an abrupt collapse is caused by a cause of loss listed in 2.a. through 2.d., we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
- (2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:

- a. The collapse of personal property was caused by a cause of loss listed in 2.a. through 2.d.;
- b. The personal property which collapses is inside a building; and
- c. The property which collapses is not of a kind listed in 4., regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph 5. does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

Exhibit 1

6. This Additional Coverage -- Collapse does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
 7. This Additional Coverage -- Collapse will not increase the Limits of Insurance provided in this Coverage Part.
 8. The term Covered Cause of Loss includes the Additional Coverage -- Collapse as described and limited in D.1. through D.7.
- E. Additional Coverage -- Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria**
1. The coverage described in E.2. and E.6. only applies when the "fungus", wet or dry rot or bacteria is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
 - a. A "specified cause of loss" other than fire or lightning; or
 - b. Flood, if the Flood Coverage Endorsement applies to the affected premises.
 2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:
 - a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
 - b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
 - c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.
 3. The coverage described under E.2. of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.
 4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.
 5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss Form or under the Additional Coverage -- Collapse.
 6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form.
 - a.
 - b.

Exhibit 1

- a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
- b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property in Transit

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
 - (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.
 - (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- c. The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension, F.3., does not increase the Limit of Insurance.

G. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "Specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire-extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.

Exhibit 1

b. Falling objects does not include loss or damage to:

(1) Personal property in the open; or

(2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam.

Exhibit 1

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CP 10 33 05 95

THEFT EXCLUSION

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS - SPECIAL FORM

The following is added to the EXCLUSIONS section:

We will not pay for loss or damage caused by or resulting from theft.

But we will pay for:

1. Loss or damage that occurs due to looting at the time and place of a riot or civil commotion; or
2. Building damage caused by the breaking in or exiting of burglars.

And if theft results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Exhibit 1

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS - BASIC FORM
CAUSES OF LOSS - BROAD FORM
CAUSES OF LOSS - SPECIAL FORM**

Endorsement Premium \$ 202

Read the entire endorsement carefully to determine rights, duties and what is and is not covered.

As respects this Equipment Breakdown Enhancement Endorsement, this endorsement changes coverage provided by the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

A. COVERAGE

4. Additional Coverages

The following Additional Coverage is deleted and replaced with the following:

d. Pollutant Clean Up and Removal

We will pay for the Pollutant Clean Up and Removal for loss resulting from an "Equipment Breakdown". The most we will pay for the Pollutant Clean Up and Removal is \$250,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The following Additional Coverages are added:

Expediting Expenses

We will pay for the expediting expense loss resulting from an "Equipment Breakdown" with respect to your damaged Covered Property. We will pay the reasonable extra cost to:

- (1) Make temporary repairs;
- (2) Expedite permanent repairs; and
- (3) Expedite permanent replacement

Reasonable extra cost shall mean "the extra cost of temporary repair and of expediting the repair of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation." This will be a part of and not an addition to the limit per loss.

Refrigerant Contamination

We will pay the loss from contamination by refrigerant used in refrigerating, cooling or humidity control equipment at the described premises as a result of an "Equipment Breakdown".

Exhibit 1

The most we will pay for loss or damage under this coverage is \$250,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

Spoilage

We will pay for loss of "perishable goods" due to spoilage resulting from lack or excess of power, light, heat, steam or refrigeration caused by an "Equipment Breakdown" to types of property covered by this policy, that are:

- (1) Located on or within 1,000 feet of your described premises; and
- (2) Owned by you, the building owner at your described premises, or owned by a public utility.

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

The most we will pay for loss or damage under this coverage is \$250,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

"Perishable goods" means personal property maintained under controlled conditions for its preservation and susceptible to loss or damage if the controlled conditions change.

Service Interruption

Any insurance provided for Business Income, Extra Expense or Spoilage is extended to apply to your loss, damage or expense caused by an "Equipment Breakdown" to equipment that is owned by a utility, landlord or other supplier with whom you have a contract to supply you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, Internet access, telecommunications services, wide area networks or data transmission. The equipment must meet the definition of "Equipment Breakdown" except that it is not Covered Property.

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss.

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

CFC Refrigerants

We will pay for the additional cost to repair or replace Covered Property because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances.

Additional costs mean those in excess of what would have been required to repair or replace covered property, had no CFC refrigerant been involved. We also pay for additional loss as described under the Spoilage or Loss of Income Coverages provided by this endorsement, caused by the presence of a refrigerant containing CFC substances.

We pay no more than the least of the following:

- (1) The cost to repair the damaged property and replace any lost CFC refrigerant;
- (2) The cost to repair the damaged property, retrofit the system to accept a non-CFC refrigerant, and charge the system with a non-CFC refrigerant; or
- (3) The cost to replace the system with one using a non-CFC refrigerant.

Exhibit 1

Computer Equipment

We will pay for loss or damage to your "computer equipment" caused by an "Equipment Breakdown".

"Computer equipment" means Covered Property that is electronic computer or other data processing equipment, including peripherals used in conjunction with such equipment, and electronic media and records.

Media or Data

We will pay for loss or damage to your "Media" or "Data" caused by an "Equipment Breakdown". We will pay for your cost to research, replace, restore all forms of electronic and magnetic tapes and disks and "data" and the costs to reprogram instructions for use in any covered electronic computer or electronic data processing equipment.

We will not pay to reproduce:

1. Software programs or operating systems that are not commercially available; or
2. "Data" that is obsolete, unnecessary or useless to you.

The most we will pay for loss or damage under this coverage for "Media" and "Data" is \$25,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

If "Media" is damaged or "Data" is lost or corrupted, we will pay your actual loss of "Business Income" and/or "Extra Expense" during the time necessary to:

1. Research, replace or restore the damaged "Media" or lost or corrupted "Data", and
2. Reprogram instructions used in any covered "Computer Equipment".

There shall be no coverage for any "Media" or "Data" that we determine is not or cannot be replaced or restored.

Unless a higher limit is shown in the Declarations, we will pay the lesser of your actual loss of "Business Income" and/or "Extra Expense" up to 30 days after the "Period of Restoration" or \$25,000.

"Media" means material on which "Data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks. "Data" means information or instructions used by computers or computerized equipment.

F. ADDITIONAL CONDITIONS

The following Additional Conditions are added:

Suspension

Whenever Covered Property is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss to that Covered Property for the perils covered by this endorsement. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension / coverage reinstatement to:

- (1) Your last known address; or
- (2) The address where the property is located.

If we suspend your insurance, you will get a pro rata refund of premium. But the suspension will be effective even if we have not yet made or offered a refund.

Jurisdictional Inspections

If any Covered Property under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

Exhibit 1

Environmental, Safety and Energy Efficiency Improvements

If Covered Property requires replacement due to an "Equipment Breakdown", we will pay your additional cost to replace with equipment that is better for the environment, safer, or more energy efficient than the equipment being replaced.

However, we will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This condition does not apply to any property to which Actual Cash Value applies.

Green Environmental and Efficiency Improvements

If Covered Property requires repair or replacement due to an "Equipment Breakdown", we will pay:

- a. The lesser of the reasonable and necessary additional cost incurred by the Insured to repair or replace physically damaged Covered Property with equipment of like kind and quality which qualifies as "Green". Like kind and quality includes similar size and capacity.
- b. The additional reasonable and necessary fees incurred by the Insured for an accredited professional certified by a "Green Authority" to participate in the repair or replacement of physically damaged Covered Property as "Green".
- c. The additional reasonable and necessary cost incurred by the Insured for certification or recertification of the repaired or replaced Covered Property as "Green".
- d. The additional reasonable and necessary cost incurred by the Insured for "Green" in the removal, disposal or recycling of damaged Covered Property.
- e. The business interruption (if covered within the Policy to which this Equipment Breakdown Enhancement Endorsement is attached) loss during the additional time required for repair or replacement of Covered Property, consistent with "Green", in the coverages above.

We will not pay more than 125%, to a maximum limit of \$100,000, of what the cost would have been to repair or replace with equipment of like kind and quality inclusive of fees, costs, and any business interruption loss incurred as stated above.

Green Environmental and Efficiency Improvements does not cover any of the following:

- a. Covered Property does not include stock, raw materials, finished goods, "production machinery", merchandise, electronic data processing equipment not used in the functional support of the real property, process water, molds and dies, property in the open, property of others for which the Insured is legally liable, or personal property of others.
- b. Any loss adjusted on any valuation basis other than a repair or replacement basis as per the Valuation section of this policy.
- c. Any loss covered under any other section of this policy.
- d. Any cost incurred due to any law or ordinance with which the Insured was legally obligated to comply prior to the time of the "Equipment Breakdown".

These Additional Conditions will be a part of, and not an addition to, the limit of liability per loss or any other sub-limits of liability of this Policy.

H. DEFINITIONS

The following Definitions are added:

"Equipment Breakdown"

"Equipment Breakdown" as used herein means:

- a. Physical loss or damage both originating within:

Exhibit 1

- (1) Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:
 - a. Waste disposal piping;
 - b. Any piping forming part of a fire protective system; furnaces; and
 - c. Any water piping other than:
 - (1) Boiler feed water piping between the feed pump and the boiler; boiler condensate return piping; or water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes.
- (2) All mechanical, electrical, electronic or fiber optic equipment; and
- b. Caused by, resulting from, or consisting of:
 - (1) Mechanical breakdown;
 - (2) Electrical or electronic breakdown; or
 - (3) Rupture, bursting, bulging, implosion, or steam explosion.
- c. If covered electrical equipment requires drying out as a result of a flood we will pay for the direct expense of such drying out.

However, "Equipment Breakdown" will not mean:

- a. Physical loss or damage caused by or resulting from any of the following; however if loss or damage not otherwise excluded results, then we will pay for such resulting damage:
 - (1) Wear and Tear;
 - (2) Rust or other corrosion, decay, deterioration, hidden or latent defect, mold or any other quality in property that causes it to damage or destroy itself;
 - (3) Smog;
 - (4) Settling, cracking, shrinking or expansion;
 - (5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
 - (6) Any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system including any hardware, programs or software;
 - (7) The following causes of loss to personal property:
 - a. Dampness or dryness of atmosphere
 - b. Marring or scratching
- b. Loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

"Green" means products, materials, methods and processes certified by a "Green Authority" that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.

"Green Authority" means an authority on "Green" buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED) or "Green" Building Initiative Green Globes® Energy Star Rating System or any other recognized "Green" rating system.

"Production machinery" means any machine which processes, forms, shapes, or transports raw materials, materials in process, waste materials or finished products.

CAUSES OF LOSS - BASIC FORM
CAUSES OF LOSS - BROAD FORM

Exhibit 1

A. COVERED CAUSES OF LOSS

The following Covered Causes of Loss is added: "Equipment Breakdown."

B. EXCLUSIONS

The following Exclusions are deleted:

- 2.a. (CP1010 and CP1020) Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires. But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.
- 2.d. (CP1010) 2.b. (CP1020) Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion.
- 2.e. (CP1010 2.c. (CP1020) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

CAUSES OF LOSS - SPECIAL FORM

B. EXCLUSIONS

All Exclusions and limitations apply except:

B.2.a., B.2.d. (6) and B.2.e;

Limitations C. 1.a. and C. 1.b.

G. DEFINITIONS

The following is added to the "Specified Causes of Loss" definition: "Specified Causes of Loss" also means "Equipment Breakdown".

All other terms and conditions of this policy remain unchanged.

Exhibit 1

POLICY NUMBER: 2CM9728

IL 09 53 91 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**EXCLUSION OF CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 STANDARD PROPERTY POLICY

SCHEDULE

The Exception Covering Certain Fire Losses (Paragraph C) applies to property located in the following state(s).
 If covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part Or Policy
WY	BLDG & PERS PROP COVERAGE FORM
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

B. The following exclusion is added:**CERTIFIED ACT OF TERRORISM EXCLUSION**

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

C. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph B. applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

Exhibit 1



ESSEX INSURANCE COMPANY

ENDORSEMENT

The following spaces preceded by an asterisk () need not be completed if this endorsement and the policy have same inception date.*

ATTACHED TO AND FORMING PART OF POLICY NO.	EFFECTIVE DATE OF ENDORSEMENT	ISSUED TO
2CM9728	08/01/2011	COLORADO HOSPITALITY SERV INC DBA LARAMIE HOSPITALITY LLC, RAMADA INN

TOTAL LOSS ENDORSEMENT

Property Earned Premium Endorsement — It is understood and agreed that in the event of a total loss or constructive total loss under this policy, the entire policy premium shall be earned in full and no return premium shall be due the named insured.

All other terms and conditions of this policy remain unchanged.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the above mentioned Policy, other than as above stated.

Authorized Representative

In Witness Whereof, the Company has caused this endorsement to be signed by a duly authorized representative of the Company

AUTHORIZED REPRESENTATIVE

Exhibit 1



ESSEX INSURANCE COMPANY

PROTECTIVE SAFEGUARDS ENDORSEMENT

Failure to comply with the Protective Safeguard Clauses specified as applicable in the Schedule below shall suspend this insurance.

PROTECTIVE SAFEGUARD CLAUSE(S)

In consideration of the premium at which this policy is written, based on the protection of the premises by the protective safeguard system or systems indicated below, it is a condition of this policy that the insured shall exercise due diligence in maintaining in complete working order all equipment and services pertaining to the system which are under the control of the insured, including any special maintenance or service requirements indicated below. It also is a condition of this insurance that the insured shall give immediate notice to this Company of any impairment in or suspension of any equipment or service pertaining to the system within the knowledge of the insured.

- A. ☐ Automatic Sprinkler System
In further consideration of the premium at which this policy is written, it is a condition of this policy that the insured shall have the automatic sprinkler system serviced by an independent contractor licensed to service and maintain automatic sprinkler systems in the state in which the premises are located. It also is a condition of this policy that the insured shall have the automatic sprinkler system inspected and tested at least once per year by an independent contractor licensed to inspect and test automatic sprinkler systems in the state in which the premises are located.
- B. ☐ Automatic Fire Alarm, reporting to a public or private fire alarm station.
- C. ☐ Activated and operational Central Station Burglar Alarm at all entryways and windows, reporting to a public or private burglar alarm station. Alarm must be in the "on" position during all non-working hours and/or whenever the insured's premises are unoccupied.
- D. ☐ Automatic Extinguishing System and Hood and Duct Cleaning.
It is a condition of this insurance that all ranges, deep-fat fryers, broilers and other cooking appliances, including their hoods, are protected by an approved, automatic fire extinguishing system, and insofar as such protective equipment is under the control of the insured, due diligence shall be used to maintain such system in complete working order.
All automatic extinguishing systems and hoods and duct work shall be cleaned and inspected by an outside cleaning service no less than twice a year.
It is also a condition of this insurance that all hoods and ducts are equipped with approved grease filters which shall be routinely cleaned.
- E. ☐ 24-Hour Professional on Premises Guard Service.
- F. ☐ U/L Approved Spray Paint Booth.
- G. ☐ Activated and operational Dust Abatement or Collection System.
- H. ☒ SMOKE DETECTORS & FIRE EXTINGUISHERS

If more than one location is covered under this policy, indicate below which location the protection applies to:

Item or Location Number	Building Number	Location (Street, Address, City & State)	Clause(s) Applicable
1	1	2333 BOLDIER SPRINGS RD LARKIN NY 02070	H

This Endorsement must be attached to change endorsement when issued after the policy is written.

USE SCHEDULE

Exhibit 1



ESSEX INSURANCE COMPANY

ENDORSEMENT

* Entry optional & shown in the Common Policy Declarations. If no entry is shown, the effective date of the endorsement is the same as the effective date of the policy.

*ATTACHED TO AND FORMING PART OF POLICY NO. 2CH9728	*EFFECTIVE DATE OF ENDORSEMENT 08/01/2011	*ISSUED TO COLORADO HOSPITALITY SERV INC DBA LARAMIE HOSPITALITY LLC, HUNTER INN
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CHANGE IN CONDITIONS ENDORSEMENT

Please read carefully as this changes coverage under your policy.

VACANCY OR UNOCCUPANCY

Coverage under this policy is suspended while a described building, whether intended for occupancy by owner or tenant, is vacant or unoccupied beyond a period of sixty consecutive days, unless permission for such vacancy or unoccupancy is granted hereon in writing and an additional premium is paid for such vacancy or unoccupancy.

Effective, at the inception of any vacancy or unoccupancy, the Causes of Loss provided by this policy are limited to Fire, Lightning, Explosion, Windstorm or Hail, Smoke, Aircraft or Vehicles, Riot or Civil Commotion, unless prior approval has been obtained from the Company.

THEFT

You will not have coverage for theft (if that Cause of Loss is provided under your policy) for any property, unless it is protected by an activated and operational central station burglar alarm reporting to a public or private burglar alarm station. Alarm must be in the "on" position during all non-working hours and/or whenever the insured's premises are unoccupied.

SPRINKLER LEAKAGE, SINKHOLE COLLAPSE AND VOLCANIC ACTION

These Causes of Loss will not be covered under your policy, unless an additional premium is paid and the Causes of Loss is shown as specific items on the Declarations page. This condition will not apply to Sprinkler Leakage when Special Causes of Loss or Broad Causes of Loss apply.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

- A. We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.
1. The failure, malfunction or inadequacy of:
 - a. Any of the following, whether belonging to any insured or to others:
 - (1) Computer hardware, including microprocessors;
 - (2) Computer application software;
 - (3) Computer operating systems and related software;
 - (4) Computer networks;
 - (5) Microprocessors (computer chips) not part of any computer system; or
 - (6) Any other computerized or electronic equipment or components; or
 - b. Any other products and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph A.1.a. of this endorsement; due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.

Exhibit 1

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph A.1. of this endorsement.
- B. If an excluded Cause of Loss as described in Paragraph A. of this endorsement results:
1. In a Covered Cause of Loss under the Equipment Breakdown coverage, the Commercial Crime Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
 2. Under the Commercial Property Coverage Part:
 - a. In a "Specified Cause of Loss" under the Causes of Loss - Special Form; or
 - b. In a Covered Cause of Loss under the Causes of Loss - Basic Form or the Causes of Loss - Broad Form;
 we will pay only for the loss or damage caused by such "Specified Cause of Loss" or Covered Cause of Loss.
- C. We will not pay for repair, replacement or modification of any items in Paragraphs A.1.a. and A.1.b. of this endorsement to correct any deficiencies or change any features.

Property Pollution Exclusion

This policy does not cover loss or damage caused directly or indirectly by the release or discharge or dispersal of toxic or hazardous substances, contaminants, or pollutants. Nor will we cover the cost of removal, disposal, decontamination or replacement of insured property which has been contaminated by toxic or hazardous substances, contaminants or pollutants and by law or civil authority must be restored, disposed of or decontaminated. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Organic Pathogen Exclusion

This policy does not insure any loss, damage, claims, cost or expense, fine, penalty or other sum either directly or indirectly arising out of, relating to, or caused by an "organic pathogen".

This exclusion applies regardless of whether there is (i) any physical loss or damage to insured property; (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence to the existence of an "organic pathogen"; (iii) any loss of use, occupancy or functionality or decreased valuation of covered property or loss of business income; (iv) any action required, including but not limited to testing, repair, replacement, removal, cleanup, abatement, disposal, relocation, or actions taken to address medical or legal concerns; or (v) any suit or administrative proceeding or action involving the insured.

"Organic pathogen" means any organic irritant or contaminant, including but not limited to fungus, bacteria, virus, or other microorganism of any type, including but not limited to their byproducts such as spores or mycotoxin, or any hazardous substance as classified by the EPA.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the above mentioned Policy, other than as above stated.

Authorized Representative

In Witness Whereof, the Company has caused this endorsement to be signed by a duly authorized representative of the Company

AUTHORIZED REPRESENTATIVE

Exhibit 1



ESSEX INSURANCE COMPANY

COMMON POLICY DECLARATIONS

POLICY NUMBER: 2CQ4613

RENEWAL OF POLICY: 2CM9728

Named Insured and Mailing Address (No. , Street, Town or City, County, State, Zip Code)

COLORADO HOSPITALITY SERV INC
DBA LARAMIE HOSPITALITY LLC, RAMADA INN
10 E. 120TH AVE.

NORTHGLENN

CO

80233

Policy Period: From 08/01/2012 to 08/01/2013 , at 12:01 A.M. Standard Time at your mailing address shown above.

BUSINESS DESCRIPTION: HOTEL WITH POOL AND RESTAURANT / BAR

FORM OF BUSINESS

☐ Individual ☐ Joint Venture ☐ Partnership ☐ Organization (other than Partnership or Joint Venture)
☐ Limited Liability Company ☒ Corporation ☐ Other

Audit Period: Annual unless otherwise stated: ANNUAL

FTZ Code:

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PART(S), BUT ONLY FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

Commercial Property Coverage Part	\$ 7,426.00
Commercial General Liability Coverage Part	\$ 4,248.00
Commercial Inland Marine Coverage Part	\$ NOT COVERED
Commercial Ocean Marine Coverage Part	\$ NOT COVERED
Commercial Professional Liability Coverage Part	\$ NOT COVERED
Commercial Automobile Liability Coverage Part	\$ NOT COVERED
Liquor Liability Coverage Part	\$ NOT COVERED
Crime Coverage Part:	\$ NOT COVERED
Other Coverages: Terrorism	\$ NOT COVERED
Premium Total	\$ 11,674.00
Other Charges: FEE	\$ 500.00
TAX	\$ 237.78
	\$ NOT COVERED
	\$ NOT COVERED
GRAND TOTAL	\$ 12,411.78
State Surplus Lines License #	

THIS INSURANCE CONTRACT IS ISSUED PURSUANT TO THE WYOMING INSURANCE LAWS BY AN INSURER NEITHER LICENSED BY NOR UNDER THE JURISDICTION OF THE WYOMING INSURANCE DEPARTMENT.

The cost of the insurance coverage provided herein includes a fee to a wholesale intermediary in addition to the premium charge.



Exhibit 1

Policy Number: 2CQ4 613

ESSEX INSURANCE COMPANY

FORMS SCHEDULE

Form Number Form Name

Forms Applicable - INTERLINE

MJIL 1000 08 10	POLICY JACKET
MPIL 1007 04 10	PRIVACY NOTICE
MDIL 1000 08 11	COMMON DECLARATIONS
MDIL 1001 08 11	FORMS SCHEDULE
IL 00 17 11 98	COMMON POLICY CONDITIONS
MEIL 1200 01 10	SERVICE OF SUIT
MEIL 1211 06 10	MINIMUM EARNED PREMIUM AMENDMENT ENDORSEMENT

Forms Applicable - GENERAL LIABILITY

MDGL 1006 08 11	COMMERCIAL GL DEC
MDGL 1009 08 11	SUPPLEMENTAL GL DEC
IL 00 21 09 08	NUCLEAR ENERGY LIAB EXCL ENDT
MEIL 1225 10 11	CHANGES - CIVIL UNION
CG 00 01 (12-07)	CGI COV FORM (OCC)
CG 21 36 (03-05)	EXCL NEW BMT
CG 21 47 (12-07)	EMPLOY RELATED
CG 21 49 (09-99)	TOTAL POLLUTION FORM
CG 21 73 (01-08)	EXCLUSION OF ACTS OF TERRORISM
CG 22 45 (07-98)	EXCL-SPECIFIED THERAPEUTIC OR COSMETIC SERV
ME-008 (01-09)	PRE-EXISTING INJURY, LOSS OR DMG EXCL
ME-048 (09-09)	DEDUCTIBLE ENDT
ME 091 04 10	HABITATIONAL COME ENDT
ME-172 (01-09)	PROD/COMP OPS INCLUDED IN GENL AGG
ME-189 (01-09)	RESTAURANT & BARS
ME-217 (07-09)	SPECIFIED/DESIG PREM/PROJ LIMITATION
MEGL 0001 06 12	COMBINATION GENERAL ENDORSEMENT
MEGL 0009 09 11	ADDITIONAL INSURED ENDT
MEGL 1279 06 10	LIMITED ASSAULT COV

Forms Applicable - PROPERTY

MDCP 1000 08 11	COMMERCIAL PROP DEC
IL 09 53 (01-08)	EXCLUSION OF ACTS OF TERRORISM
CP 00 10 (06-07)	BUILDING AND PERSONAL PROP COV FORM
CP 00 90 (07-88)	COMMERCIAL PROP CONDITIONS
CP 10 30 (06-07)	CAUSES OF LOSS-SPECIAL
CP 10 33 (06-95)	THEFT EXCLUSION
JGF-8 (07-93)	TOTAL LOSS
JCF-9 (05/09)	PROTECTIVE SAFEGUARD ENDT
MECP 1219 05 10	CHANGE IN CONDITIONS ENDORSEMENT



ESSEX INSURANCE COMPANY

Exhibit 1

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

POLICY NUMBER: 2CQ4613

X "X" If Supplemental Declarations Is Attached

RETROACTIVE DATE

THIS INSURANCE DOES NOT APPLY TO "BODILY INJURY", "PROPERTY DAMAGE" OR "PERSONAL AND ADVERTISING INJURY" WHICH OCCURS BEFORE THE RETROACTIVE DATE, IF ANY, SHOWN BELOW.

RETROACTIVE DATE: NONE

(ENTER DATE OR "NONE" IF NO RETROACTIVE DATE APPLIES)

LIMITS OF INSURANCE

General Aggregate Limit (other than Products/Completed Operations)	\$2,000,000	
Products/Completed Operations Aggregate Limit	\$INCLUDED	
Personal and Advertising Injury Limit	\$1,000,000	Any One Person or Organization
Each Occurrence Limit	\$1,000,000	
Damage to Premises Rented to You Limit	\$100,000	Any One Premises
Medical Expense Limit	\$5,000	Any One Person

ALL PREMISES YOU OWN, RENT OR OCCUPY

Loc No. ADDRESS OF ALL PREMISES YOU OWN, RENT OR OCCUPY

01 2313 SOLDIER SPRINGS RD

LARANIE

NY E2070

CLASSIFICATION AND PREMIUM

Loc No.	Code No. Classification	Rating Basis	*Premium Basis	Other Basis	Rate		Advance Premium	
					Pr/Co	All Other	Pr/Co	All Other
1	45190 Sales HOTELS & MOTELS W POOL/BEACH LESS THAN 4 STORIES		850000		INCLUDED	1.968	\$INCLUDED	\$ 2,613.00
1	45190 Units HOTELS & MOTELS W POOL/BEACH LESS THAN 4 STORIES		-		INCLUDED	750.00	\$INCLUDED	\$ 750.00
1	16319 Sales RESTAURANTS - OPERATED BY CONCESSIONAIRES - FOR PROFIT		180000		INCLUDED	5.42	\$INCLUDED	\$ 575.00
*(a) Area *(c) Total Cost *(m) Admissions *(p) Payroll *(s) Gross Sales (u) Units *(r) Gross Receipts (e) Each (o) Other Premium Basis identified with a "*" is per 1000 of selected basis.							Total Advance Premium	\$ 3,398.00

These declarations, together with the Common Policy Conditions and Coverage Form(s) and any Endorsement(s), complete the above numbered policy.

FORMS AND ENDORSEMENTS

SEE FORMS SCHEDULE - MDIL 1001



ESSEX INSURANCE COMPANY

Exhibit 1

COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS

POLICY NUMBER: 2CQ4613

☐ "X" If Supplemental Declarations Is Attached

DESCRIPTION OF PREMISES						
Prem. No.	Bldg. No.	Location Address	No. of Stories	Year Built	Occupancy	Construction
1	1	2313 SOLDIER SPRINGS RD LEBANON, NY 12070	2	1960	HOTEL	Masonry NF
Class Code		Class Description:				
0745		HOTEL / HOTEL				
Prem. No.	Bldg. No.	Location Address	No. of Stories	Year Built	Occupancy	Construction
Class Code		Class Description:				

COVERAGES PROVIDED -- Insurance at the described premises applies only for coverages for which a limit of insurance is shown.									
Prem. No.	Bldg. No.	Coverage	Limit Of Insurance	Covered Causes Of Loss	Valuation	Coinsurance**	Rates	Rate Term	
1	1	Building	\$ 1,500,000	Special Excl Theft	ACV	80%	.23	an	
1	1	Bus. Pers. Property	\$ 120,600	Special Excl Theft	ACV	80%	.28	an	
1	2	Building	\$ 500,000	Special Excl Theft	ACV	80%	.23	an	
1	2	Bus. Pers. Property	\$ 59,400	Special Excl Theft	ACV	80%	.23	an	
1	1	Time Element BI w/EE	\$ 400,000	Special Excl Theft		1/6			
			\$						
			\$						
			\$						
**If Extra Expense Coverage, Limits On Loss Payment									

OPTIONAL COVERAGES -- Applicable only when entries are made in the schedule below.									
Prem. No.	Bldg. No.	Coverage	Limit Of Insurance	Covered Causes Of Loss	Valuation	Coinsurance**	Rates	Rate Term	
			\$						
			\$						
			\$						
			\$						
			\$						
			\$						
			\$						
**If Extra Expense Coverage, Limits On Loss Payment									

Exhibit 1

MORTGAGEHOLDERS

Prem. No.	Bldg. No.	Mortgageholder Name And Mailing Address

DEDUCTIBLE

\$ 15,000 ☒ Per occurrence ☐ Per Location ☐ Per Building ☐ Exceptions:

These declarations, together with the Common Policy Conditions and Coverage Form(s) and any Endorsement(s), complete the above numbered policy.

FORMS AND ENDORSEMENTS: SEE FORMS SCHEDULE – MDIL 1001

TOTAL PREMIUM FOR THIS COVERAGE PART:	\$ 7,426.00
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